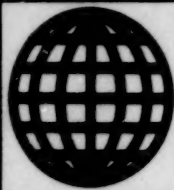


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23 MARCH 1989



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CONTENTS

23 MARCH 1989

CAMBODIA

PEOPLE'S REPUBLIC OF KAMPUCHEA

Market, Legal Reforms Boost Economic Performance [Bangkok THE NATION 5, 12 Feb]	1
Deserters Note KPRAF Conscription Process, PAVN Advisors [Bangkok MATICHON SUT SAPDA 15 Jan]	4

INDONESIA

Trade With Hungary, Egypt Still Minimal [PELITA 6 Feb]	7
Suharto's Views on Regional 'Resilience' [ANGKATAN BERSENJATA 21 Feb]	7
Suharto Discusses Proper Role of Press [MERDEKA 10 Feb]	8
Government Announces New Oil Deregulation Measures [KOMPAS 23 Feb]	9

LAOS

Text of Trade Memorandum With Thailand [Bangkok SIAM RAT SAPDA WICHAN 22-28 Jan]	10
Thai Delegation Gets Assurances on Investment [Bangkok DAILY NEWS 31 Dec]	11
Reader complains About Foreign Funds Remittance Problems [PASASON 4 Jan]	12

PHILIPPINES

'Campaign' Against Tropical Oils Reduces Coconut Earnings [BUSINESS WORLD 31 Jan]	13
'Indicator' Column Cites Population's Dissatisfaction [BUSINESS WORLD 6 Feb]	13
Negros NPA Returnees Form Legal Labor Group [MANILA BULLETIN 15 Feb]	14
Bicol Politicians Report NPA Collecting Poll Debts [PHILIPPINE DAILY INQUIRER 31 Jan]	14
Publicity, Movie Rights Build Around Wanted NPA Spokesman [PHILIPPINE DAILY INQUIRER 29 Jan]	15
Stepped-Up Violence Expected From Cebu, Bohol NPA Merger [SUN STAR DAILY 5 Feb]	15
Police, 'Party Papers' Explain Downturn in NPA Urban Operations [THE MANILA CHRONICLE 26 Feb]	16
Leftist Weekly on Evolution of Panay Rebel Land Reform [NATIONAL MIDWEEK 25 Jan]	18

THAILAND

Chatchai Advisor, Finance Minister Comment on Policy Issues [MATICHON 2 Jan]	22
BOI Chief Views Investment Trends, GSP Issue [MATICHON 31 Dec]	24
Securities Exchange Official on Regulations, State Firms [MATICHON 3 Jan]	25

VIETNAM

POLITICAL

Leningrad, Ho Chi Minh City Sign Cooperation Accord [VNA]	27
Marxist-Leninist Teaching Undergoing Renovation [SAIGON GIAI PHONG 18, 19 Jan]	27
Renovation Needed in Teaching Marxism-Leninism [SAIGON GIAI PHONG 12 Jan]	29

ECONOMIC

French Firms Interested But Cautious on Investing in Vietnam [Paris LE MONDE 9 Feb]	31
Vietnam's First Oil Refinery Starts Production in HCM City [DOAN KET Dec]	32
Decision Liberalizes Commercial, Service Activities [SAIGON GIAI PHONG 15 Jan]	33

SOCIAL

Vietnamese, U.S. Filmmakers Meet At Hawaiian Film Festival	[SAIGON GIAI PHONG 15 Jan] ...	34
HCM City Moves Toward Making Films With Other Countries	[SAIGON GIAI PHONG 15 Jan] ..	35
Laser Institute Produces First Medical Lasers	[SAIGON GIAI PHONG 28 Jan]	35
Seeking Good Ways To Resolve Land Disputes in Rural Hanoi	[HANOI MOI 22 Dec]	35
Vietnam's Catholics Learn Survival	[Sydney THE SYDNEY MORNING HERALD 18 Feb]	38

BIOGRAPHIC

Biographic Information on Vietnamese Personalities	40
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PEOPLE'S REPUBLIC OF KAMPUCHEA

Market, Legal Reforms Boost Economic Performance

42000096b Bangkok *THE NATION* in English
5, 12 Feb 89

[Two part article by Michael Vickery, professor of humanities at the University Sains, in Penang, Malaysia]

[Part 1—5 Feb 89, p 7]

[Text] While attention has been focussed on the international aspects of the Cambodia problem, equally interesting developments have been underway within the People's Republic of Cambodia (PRK).

An item in the Phnom Penh newspaper *CAMBODIA*, on July 28, 1988, may serve as an illustration. On page 11, well down on a list of 61 lawsuits reported as pending in the courts is the case of a lady, who was named, filing suit against the Ministry of Foreign Affairs and a certain ambassador, who was not named, for having dismissed her from employment.

Such an item in almost any country would excite curiosity about the precise circumstances, and a bit of questioning in Phnom Penh at the end of November revealed that it had indeed been a case in which "moral transgression" was involved, probably in a Kampuchea embassy abroad, and the lady had been transferred to another state agency.

One of the traits which the PRK has inherited from its immediate predecessor, but not one of those sometimes wrongfully ascribed to it by the propagandists who have tried to assimilate the PRK leadership to that of Democratic Cambodia (DK), is a degree of puritanism much stronger than prevalent before 1975.

Unlike punishment in such cases under Pol Pot, which was equivalent for both parties, and so far as can be determined usually death, in the PRK nothing more severe than transfer to a less desirable post is imposed but apparently only on female cadres, with the males going free and not even named in the ensuing publicity.

Such is standard practice in Southeast Asia's capitalist states and is an unanticipated example of the PRK adhering to international norms. But I was informed by a former colleague of the woman that in meetings of their organizations Cambodian women are now protesting, and insisting that if such behaviour is to be punished, both parties should be punished equally. Here is a new cause for Western feminists—equal punishment, or equal rights, for extra-marital relationships in Kampuchea.

The 61 cases listed by *CAMBODIA* range from the trivial civil suits for libel and fraud to the very serious—murder and torture by police agents. Included are several

cases of murder, rape, physical abuse, non-payment of debts. One was a complaint by an individual against the police and provincial court of Kandal for having released 3 alleged murderers. It is clear that courts in the PRK are functioning according to laws and that individuals willingly enter into litigation, even bringing charges against state organs.

The mere fact of such suits being brought in court, and reported in the press, illustrates a firm intention by the PRK to establish rule of law. It also counters the charges made by certain organizations that human rights are widely abused and judicial procedures neglected. Moreover, the *CAMBODIA* article was an implicit complaint against the authorities that the cases had been "stuck" in the courts too long, and an example itself of increasing openness in the society.

When the PRK came to power in 1979 there were severe objective impediments to realization of rule of law. These included penury of surviving legally-trained personnel, destruction of archives and legal documentation, total absence of formal courts and legality under DK, proceeded by neglect of such during the 1975-1979 war, and even in the best of times before 1970 police traditions which ignored such niceties as rights of the accused. Added to this was the lack of any administrative infrastructure in 1979, a situation of anarchic population movement and disorganization, and increasing militarization to counter the threat of the rearmed DK and their allies on the Thai border.

This situation inevitably gave rise to instances of rough military justice for malefactors, real or suspected, and it provided welcome ammunition for organizations ill-disposed to the PRK. In a series of publications the New York-based Lawyers Committee for International Human Rights (1984 and 1985), followed by Amnesty International (1986, 1987, 1988), have variously claimed that there was no law in the PRK, that this was the fault of Vietnamese control, that there were hundreds of systematic violations of human rights while listing few specifically, that few accused ever received trial, that complaints against abuses by authorities were not entertained, and that court cases were not reported in the media, indicating that trials were not being held.

As PRK officials willingly admit, legality in the first years was below the desired standard and police practices were not beyond reproach, but the promulgation of new laws, rapid training of new court officers and legal personnel, and insistence on implementation of the new regulations by police, all lend credence to the PRK authorities' claim that normal international legal standards are being reached. The last formal step was the promulgation in early 1986 of a new detailed Decree-Law No 27 which establishes procedures to be followed in arrest, detention, indictment, and search of person or domicile, which on paper provides guarantees at least equivalent to those prevailing in Southeast Asian capitalist countries which enjoy international recognition.

The list of cases published by CAMBODIA shows that the provisions of Decree-Law No 17 are being applied, and one plaintiff charged specifically that he had been arrested in circumstances which violated that law. Likewise in accordance with Decree-Law No 27 three provincial or district police chiefs, I was informed, in Kompong Speu, Pursat, and Kandal, have been dismissed and punished for physical abuse of prisoners. In the last case the accused was tried before an open court with loudspeakers outside for people who could not fit into the courtroom, and was found guilty of torturing nine prisoners and sentenced to 15 years' imprisonment.

Moreover, with each successive effort the Lawyers Committee and Amnesty have been forced to back away from parts of their previous accusations. By 1986 most of the specific instances of violations which could be cited dated to before 1985; and in their last effort, Amnesty International was forced to call people caught giving aid to the enemy in wartime "political prisoners," and through lack of sufficient new cases, had to devote most of its attention to hypothetical situations in which human rights violations might occur, or to supposed defects in the organization of the PRK judicial system, not in themselves matters of proper concern to Amnesty.

This improvement is confirmed by the files of another well-informed foreign group, which seem to indicate that recent defectors across the border to Thailand are in general only able to provide stories of human rights violations before 1985.

One legal area in which progress has been intriguingly slow is family and marriage, for which a law still has not been passed, although said to be imminent on each of my last visits in 1984, 1986, and in November this year. Unofficial comment holds that it is the very question raised by the dismissed Foreign Affairs lady, equality of the sexes, which is difficult to resolve. Before 1975 women, in law, were subordinate to their husbands, for whom polygamy was permitted and who were favoured in divorce proceedings. Some women refused to have their marriages registered, because in local custom, contrary to the French-imposed law followed by the Sihanouk and Lon Nol regimes, a woman could divorce her husband at will. Now that post-Pol Pot demographic pressure, as well as ideology, have pushed large numbers of women into responsible official and managerial positions, they are unlikely to accept again any of the pre-1975 legal disadvantages.

Another case among the 61 concerns the Sereipheap ("Liberty") restaurant which started operation in 1981 as a private, or semi-private enterprise, and became very successful, in particular as the restaurant was favoured by the foreign community of diplomatic and aid personnel.

Suddenly in 1985 it was closed by the authorities, but soon reopened as a state enterprise. It still prospers and is still popular with the foreign community but faces

increasing competition. According to its present manager conflict had arisen over demands for taxes from the Sereipheap whose owner claimed his agreement with the state exempted him from taxation. His refusal to pay was answered with confiscation by the city government but he no more accepted expropriation than would a businessman in a capitalist country, and has taken the Phnom Penh municipality to court.

Although much small private enterprise was tolerated from 1979, in 1985 a private sector was formally legalized to encourage those with accumulated wealth to invest in productive activities, particularly in small-scale manufacture. Two factories which I visited transform scrap metal into household utensils, employ over 50 workers, paying them up to 5,000 riel, 10 times the highest state salary, and the owners appear satisfied with business conditions, although one complained bitterly about electricity failures which forced him to occasionally stop work. He said he had set up shop in 1979, and on his office wall were certificates of achievement from 1982, three years before such enterprises were strictly legal.

In the state industrial sector some degree of decentralization has been introduced in planning and finance. At the Kompong Cham textile factory, originally built by Chinese aid in the 1960s, I was told that they plan their own annual output rather than receiving quotas from the state, and the managers of the Chhup rubber plantation and processing plant said they are now responsible for their own budgetary planning, although they still sell their entire output to Kampexim, the state export-import organization, which exchanges most of it with the Soviet Union for diesel oil.

[Part 2—12 Feb 87, p 7]

[Text] In another type of decentralization, the two southwest coastal provinces of Cambodia, Koh Kong and Kompong Som, have been authorized to trade independently with Thailand and Singapore, which may in fact mean simply legalization of an already existing situation. Through this type of trade it seems Cambodia is becoming a middleman in the import of automobiles and other luxuries from the West to Vietnam.

According to government spokesmen, more economic freedom is planned, including laws regulating investment from overseas, first by Cambodians resident abroad, eventually by others; factories, some overseas Cambodians are reportedly already investing, before it is strictly legal, in reconstruction of the huge riverfront Cambodiana Hotel, left uncompleted since 1970, and in the precious stone mines in Pailin.

Certainly many groups of overseas Cambodian visitors are arriving to check out the situation for themselves, and money is easily transmitted from abroad to individuals through the banks at a rate close to the free market. Perhaps most significant symbolically is that the Central

Market, state-run since 1979, is to be privatized early next year, in part because there was too little patronage by a population who preferred the greater variety of the private markets, in spite of the higher prices.

The relative success of PRK monetary policy, with the riel stable for the past four years, is no doubt confidence-inspiring for entrepreneurial Cambodians. To maintain this stability the government has gradually raised the official exchange rate to meet the free market, with the latest rise to 142 = \$1 against 150-155 on the free market. This stability contrasts with Vietnam, and demonstrates an interesting degree of economic independence.

It is still impossible to ascertain the responsibility for the relatively successful economic planning. It should not be assumed that it was just the result of "freedom." Totally unplanned laissez-faire would have led to runaway inflation, gross class inequalities and mismanagement reminiscent of the Lon Nol years.

In 1979 someone had to take a decision to allow measured market freedom, accompanied by a large measure of state ownership and strict control of public sector wages. In particular, as a measure against inflation, emission of the new riel currency introduced in 1980 had to be calculated and controlled, with continued careful planning year by year to prevent flooding the market with valueless paper. Planning Ministry officials have so far refused to divulge the nature of such planning or the identity of the planners, or even where the currency is printed.

It may be assumed, however, that there were important inputs from both Vietnam and the Soviet Union, and perhaps their reformers were able to experiment on the tabula rasa of post-Pol Pot Cambodia in ways which conservative opposition inhibited in their own countries. Cambodia after 1979 had no body of entrenched cadre, old military, or sclerotic security apparatus to oppose measures which smacked of the heretical "capitalist road."

The combination of increased economic freedom and prosperity, greater access to justice, and more certain independence as the Vietnamese troops leave is producing an atmosphere of visibly cheerful confidence.

There is no doubt in the minds of Cambodian citizens that the Vietnamese troops are leaving. While officially there is confidence that the PRK can defend itself; in private many people are worried, and count on international pressure to inhibit return of "Pol Pot" who serves as a generic term for the tripartite coalition.

Surprisingly there seemed to be near total disinterest in Sihanouk, among all whom I met, from officials in formal interviews to ordinary people met alone and by chance, although I was told that among surviving aged traditionalists there was belief that Sihanouk's return would bring back the best days of the 1960s.

The new Cambodian confidence was reflected in Hun Sen's report to the nation, broadcast and published after his return from Paris on November 20, taunting Sihanouk and Son San with being more concerned about Chinese opinion than the fate of the Cambodian people, and contrasting unfavourably Sihanouk's manoeuvring for the internationally-supervised 1955 election after the First Indochina War with the conditions offered by the PRK to their opponents. These conditions are cease-fire with the armed forces of all factions remaining in place, elections held under the auspices of the PRK and in the presence of international observers, then formation of a new mixed government in accordance with the election results.

There are however discomfiting signs that the legitimate confidence may crank up to the traditional unrealistic Khmer overconfidence. One official who should know better seemed to believe that with the Vietnamese soon gone, Cambodia would be on the threshold of rapid economic takeoff based on hitherto unexploited mineral wealth and superior Khmer administrative and economic skills evidenced by comparison of the Cambodian and Vietnamese economies over the past 10 years. Such unrealistic assessment of possibilities contributed significantly to the Lon Nol and Pol Pot disasters.

No major unexploited minerals are likely to be found, and the optimistic economic situation, relative to Vietnam, may be to a great extent the result of intelligent Vietnamese and Soviet aid policies and planning. The enthusiastic PRK officials are probably right that the PRK will not collapse when the Vietnamese are gone, and they may even have an army capable of defending most of the country, but Cambodian progress, even in the best conditions, will inevitably be slow, and based on peasant agriculture and a few associated industries.

The tasks of defence and reconstruction, however, should not be made more difficult by U.S. and ASEAN support for the recognition and maintenance of the Khmer Rouge. As Peter Carey wrote (REVIEW, 22/12/88), it is time for the West "To give substance to its statements on the 'unacceptability' of a Khmer Rouge return to power." Among "practical steps" listed by Carey there is one which is striking by its absence, acceptance that a Khmer nationalist government sits in Phnom Penh with an administration covering nearly the entire country, a 10-year life span, and a better record than its opponents.

From Carey's article, it is not clear that he is aware of this, for he finds it necessary to emphasize "Vietnam's occupation of Cambodia," and the "post-1979 Vietnamese order in Cambodia." The refusal to acknowledge the preeminence of the PRK, insistence on establishment of a new government of national unity and a "new Geneva conference" convened by a group of foreign powers with "the task of merging the existing . . . ASEAN and French-sponsored peace processes," and to result in "establishing Cambodia as a neutral state," all without

reference to the Cambodian government and people, are as dangerous to the peace process as the occupation of Cambodia's UN seat by the Khmer Rouge.

**Deserters Note KPRAF Conscript Process,
PAVN Advisors**

42070061 Bangkok MATICHON SUT SAPDA in Thai
15 Jan 89 pp 11-13

[Article by Khian Thirawit, Phiphat Ruang-ngam, and Mana Malaphet, Indochina Studies Program, Institute of Asian Studies, Chulalongkorn University: "Can the PRK Survive If Vietnam Withdraws All Its Forces?"]

[Text] Introduction: The Indochina Studies Program, Institute of Asian Studies, Chulalongkorn University, is composed of four research projects on the Indochina countries. One of these projects is the project to monitor the fighting in Cambodia.

Doing research on this requires the use of various methods. It is occasionally necessary to use secret methods in order to carry out the work. As for the methods employed to obtain data, the research team will explain the methods as much as possible.

The issue that will be discussed here is the military capabilities of the Heng Samrin regime. If Vietnam withdraws its forces from Cambodia in 1989 or at the beginning of 1990 as Vietnam has promised, will the Heng Samrin regime be able to survive?

In studying this, the research team interviewed 14 Heng Samrin soldiers who deserted to the Khmer Rouge. These soldiers said that they had been conscripted by the Heng Samrin government. They came from Takeo, Prey Veng, Svay Rieng, Kandal, Pursat, Kompong Speu, and Kompong Chhnang provinces. In short, most of them came from southern Cambodia. They were stationed along the Thai-Cambodian border, that is, along Thailand's eastern border. Thus, the information provided by these informants applies only to this region of Cambodia. However, the results of the study can probably be used to explain the situation in other regions of Cambodia.

In conducting the interviews, the researchers asked various questions in order to learn about three issues:

First, how much popular support does the Phnom Penh government have? This was not an easy matter to study, because the respondents were people who did not like the Heng Samrin government. They were undoubtedly biased against the government. Thus, these data are of little use from a scholarly standpoint. The questions were limited to things that they had actually witnessed or done. Thus, the data are limited to the regime's potential for increasing its combat forces, that is, the military conscription system.

Second, the researchers wanted to learn about the structure of the Heng Samrin forces and determine whether they will be able to carry on operations alone.

Third, the respondents were asked why and how they had deserted.

**1. The Military Conscription System of the PRK and
the Conscription Methods of the Heng Samrin Army**

When asked why they had become soldiers, all 14 of the Cambodian soldiers said that they had been conscripted. Not one of them said that they had volunteered.

From the interviews, it was learned that the Heng Samrin regime uses two methods to draft soldiers. One is to draw lots. They draft as many people as needed. The other method is to forcibly conscript people. Different methods are used to forcibly conscript people. One way is to threaten their families. They are told that if they don't join the army, their parents will be punished or put in prison. People are also forced into joining the army at gunpoint. According to what the respondents said, this method is used in Pursat and Prey Vang provinces.

Besides this, the Heng Samrin regime persuades Cambodian males to attend public meetings. At the end of the meeting, they are not permitted to return home. Instead, they are taken away and forced to join the army. This has happened in Takeo and Kandal provinces.

Of the 14 Cambodians interviewed, 4 said that they had seen Vietnamese advisors and soldiers take part in conscripting Cambodians. One had witnessed this in Prey Vang, one had witnessed this in Pursat, and two had witnessed this in Kandal. The four said that this had occurred during the period 1985-1987. During that period, it can be assumed that the Heng Samrin regime needed forces to carry on operations against the enemy and establish a defense line along the Thai-Cambodian border. Or this may indicate that Vietnam wanted to increase drafting soldiers into the Heng Samrin army, which had suffered losses.

2. The Structure of the PRK Forces

Generally, Vietnamese soldiers and advisors are attached to Heng Samrin units at all levels. The Vietnamese soldiers have various functions and duties. For example, they give political seminars, command the units, formulate combat plans, and participate in the battles.

When asked whether Vietnamese soldiers or advisors had been attached to their units, all 14 respondents said that Vietnamese advisors or soldiers had been assigned to their units. However, the number of Vietnamese soldiers or advisors assigned to Heng Samrin units varies. This depends on the nature of the terrain. If the units are operating in an area considered unsafe, in a

battlefield area, or in a strategic area, the number of Vietnamese soldiers or advisors will be greater than in areas where there is no fighting.

The number of Vietnamese advisors and soldiers can be estimated as follows based on the information provided by our 14 respondents:

1. Number of Vietnamese advisors in the Heng Samrin army:

Company level: 4-8 advisors. Battalion level: 10-15 advisors. Division level: 30-40 advisors.

2. As for the number of Vietnamese soldiers serving in Heng Samrin units, some of our respondents said that in their units, half the soldiers were Vietnamese and the other half were Cambodians. One respondent said that there were 40 Vietnamese soldiers in his unit and that there were only 20 Cambodians in the unit. Another said that while he was serving along the Thai-Cambodian border, in his unit there was 1 Vietnamese soldier for every 12 Cambodian soldiers. Some of the respondents said that there were equal numbers of Vietnamese and Cambodian officers.

From this, it can be concluded that the number of Vietnamese and Cambodian officers serving in Heng Samrin units is approximately equal. The number of lower-ranking Vietnamese soldiers serving in these units ranges from one-to-one to one-to-two depending on the terrain as discussed above.

When asked what the duties of the Vietnamese soldiers and advisors were, the respondents said that most of the Vietnamese advisors were involved in issuing commands, formulating plans and policies, and holding political seminars. They also talked about strategic matters, the Indochina Federation, and the policies of the Indochinese Communist Party.

Number of respondents who said that the duty of the Vietnamese advisors was to formulate plans: Two respondents.

Number of respondents who said that the duty of the Vietnamese advisors was to command the unit: Nine respondents.

Number of respondents who said that the duty of the Vietnamese advisors was to hold political and policy seminars: Three respondents.

The respondents were asked, "Have you ever seen the government use its power by itself to suppress the people?" Not one of the respondents said that they had seen this. All of them said that whenever people were suppressed, including people in the cities and people who disagreed with the regime, the Vietnamese always

played a role, either by actually participating in suppressing the people or by giving the orders. The actual number of responses were as follows:

Have you ever seen Heng Samrin forces suppress people by themselves?

5 respondents never saw it happen; 6 say they saw the Vietnamese give the orders; and 3 say they saw the Vietnamese participate

The above is a description of the structure of the Heng Samrin army, in which Vietnamese soldiers and advisors play an important role. In particular, the Vietnamese advisors play a role in formulating combat plans and holding seminars on policy matters. From the data presented above, it can be concluded that the Heng Samrin forces will not be able to withstand the Cambodian resistance forces if Vietnam withdraws its forces in 1990 as promised.

3. Why and How They Deserted

During the period January-September 1988, a large number of Heng Samrin troops deserted. Approximately 200 deserted to the Khmer Rouge. Of these, two-thirds had been captured, and one-third did so voluntarily.

From news sources inside Cambodia and from statements made by soldiers who had deserted to the Democratic Kampuchea side, it has been learned that the number of Heng Samrin troops who have deserted and who are hiding inside Cambodia or who have returned home exceeds the number who have deserted to the Democratic Kampuchea side. Also, the number of deserters is increasing.

The interesting question is why Heng Samrin soldiers are deserting and how they manage to desert. The answer to this question will be of great value in determining the military capabilities of the Heng Samrin regime.

A. Reasons for Deserting

The 14 respondents gave a variety of reasons for deserting. Seven said that they had deserted because of the lack of food and medicine. Six said that Heng Samrin soldiers had to work hard and that they were exploited by the Vietnamese soldiers. For example, they had to take the point on joint patrols. They were the first to come under attack or step on mines. Also, they had to obey orders given by Vietnamese.

Four respondents said that the Vietnamese and Heng Samrin had forced them to join the army by threatening their families. Because of this, they hated the Vietnamese and Heng Samrin. Two respondents said that they had deserted because of the high taxes imposed by the Heng Samrin regime.

As for the statements that the Heng Samrin forces lack supplies and medicines, it's possible that Vietnam and the Heng Samrin regime are inefficient in transporting food and medicines to all the units. Or it may be that the Khmer Rouge forces are efficient in cutting the roads and blocking the transport of supplies. Or it may be because Vietnam and the Heng Samrin regime lack the support of the people in collecting taxes and drafting soldiers. But regardless of the reason, the result is that there are shortages in the army, and this has caused soldiers to desert. This problem will grow even worse in the future.

Because all of our respondents were Heng Samrin soldiers who had deserted to the Khmer Rouge, our data were obtained from people who tended to think alike, and, therefore, no general conclusions can be drawn, particularly concerning the question: "Why did you decide to cooperate with the Khmer Rouge and not the Sihanouk or Son Sann factions?" The question is, before these deserters came and joined the Khmer Rouge, did they know which faction was which? Did they even choose to desert and join that faction?

It is difficult to find answers to those questions, because the situation of the respondents could easily have been a factor in determining how they responded. However, two of the respondents did say that they had not known which faction they had joined. But after they deserted, they cooperated with the Khmer Rouge in carrying on combat operations against Vietnam. The other 12 said that they had known which faction was which and that they had intentionally joined the Khmer Rouge.

When asked why they had joined the Khmer Rouge, they said that they did so because the Khmer Rouge is the only faction that is waging a resolute struggle against Vietnam. They said that the Khmer Rouge are patriots. One respondent said that he had joined the Khmer Rouge because they had adequate quantities of food and medicine.

B. Methods of Deserting

Because the respondents were Heng Samrin soldiers who had intentionally deserted, it was interesting to ask them how they had managed to desert. Two methods were used:

1. In 10 cases, the respondents had been contacted by the Khmer Rouge before deserting. For example, the Khmer Rouge placed loudspeakers in tall trees near Heng Samrin military bases, and they broadcast programs over the

radio. During the broadcasts, they urged the Heng Samrin forces to desert. Some said that Khmer Rouge forces came and cut the telephone lines used to contact the Vietnamese-Heng Samrin base. They then used these telephone lines to contact people at the base. One respondent added that he had read an announcement posted in a Cambodian village urging soldiers to desert.

Nine of these 10 deserters had then arranged to meet Khmer Rouge soldiers by sending a signal, such as firing two shots. The Khmer Rouge soldiers came to meet them at a prearranged meeting point and took them to their camp. Only one said that he had not arranged to have Khmer Rouge soldiers meet him. While on patrol, he had come across a Khmer Rouge base and decided to desert.

2. Four respondents deserted without prior urging. These people deserted without making any arrangements in advance. Only later did they contact the Khmer Rouge and ask to join them.

From these responses, it can be concluded that some of the respondents deserted in response to the public relations activities carried on by the Khmer Rouge, which indicates the high degree of efficiency of the Khmer Rouge forces in carrying on public relations activities and persuading people to desert and join their faction.

It is worth noting that since deserting to the Khmer Rouge, these soldiers enjoy the same status as other Khmer Rouge soldiers. They carry out their duties in fighting and carrying out logistics tasks. Thus, the war in Cambodia is as much a psychological war as a war of weapons.

Conclusion

The conclusion to be drawn is that young men living under the control of the PRK do not want to be soldiers. After they are conscripted, their morale is low. They lack the capabilities to wage war alone. They have to rely on Vietnamese soldiers and advisors. Some Cambodian soldiers are unhappy about the fact that Vietnam controls everything. This is one reason why Cambodian soldiers have deserted.

It will not be easy to solve these problems. If Vietnam withdraws its forces during the next 1-2 years, the Heng Samrin regime may well be defeated. Thus, if Vietnam wants to preserve its interests in Cambodia without having to station troops there, it will have to accept a quadripartite coalition government, which is the principle that many countries now support.

Trade With Hungary, Egypt Still Minimal

42130061c Jakarta PELITA in Indonesian 6 Feb 89 p 3

[Text] Jakarta, PELITA—Minister of Trade Arifin M. Siregar said there are still obstacles to trade between Indonesia and Hungary. Among the obstacles is a lack of knowledge of the trade system on the part of businessmen in the two countries, which directly reduces their interest in setting up trade ties.

The minister of trade said this at DEPDAG [Department of Trade] in Jakarta on Saturday [4 February] on the occasion of a visit by a DPR [Parliament] delegation led by DPR Deputy Chairman Saiful Sulun.

The DPR delegation is to make goodwill visits to Hungary and Egypt. They called on the minister of trade to get input on trade for their visits, which will last for 2 weeks.

The minister of trade said he hoped trade with Hungary can be increased through contacts between businessmen of the two countries and through exhibits, thus enabling businessmen to have mutual understanding of economic conditions in the countries.

In Indonesia's Favor

The same is true of Egypt. Judging by the balance of trade and product diversification, Indonesia's trade ties with Egypt are still in Indonesia's favor. The main commodities that Indonesia exports to Egypt include coffee, tea, and wood products, whereas imports from Egypt include rock phosphate and cotton.

He said Indonesia's balance of trade with Hungary has risen considerably over the last 5 years. In 1984, Indonesia's exports reached \$16.65 million, and imports totaled \$10.24 million. In 1986, exports rose to \$42.36 million and imports to \$10.26 million. In 1988, as of May, exports had reached \$5.19 million and imports \$3.71 million.

As for Indonesia's balance of trade with Egypt, Indonesian exports rose by an average of about 16 percent during the 1982-86 period, from about \$15.81 million to \$26.15 million. Imports declined from \$5.94 million to \$2.09 million, thus providing a surplus to Indonesia.

Suharto's Views on Regional 'Resilience'

42130063a Jakarta ANGKATAN BERSENJATA in Indonesian 21 Feb 89 p 1

[Text] Jakarta, ANGKATAN BERSENJATA—President Suharto said Indonesia believes the creation of regional resilience does not need to be accompanied by military pacts. Defense and security are of course important components of national resilience, since the progress and continuity of national development absolutely requires protecting the life of the nation and the state from every obstacle, challenge, threat, and disturbance.

Defense and security in Indonesia, however, have been developed under a concept that is broader and more dynamic than merely defense or merely security.

The head of state said this on Monday [20 February] at the Bina Graha when he was visited by 38 participants in the "First ASEAN Seminar on Regional Resilience." For Indonesians, national resilience is a comprehensive and dynamic concept with a very broad scope and encompasses every aspect of life of the nation and the state.

"National resilience is based on stability and harmony in the development of every aspect of the life of the community, nation, and state. In reality, national resilience is the capability and determination of a nation in ensuring progress as it seeks success for the nation and the state," the head of state added.

In the framework of national resilience, Indonesians have tried hard and have worked with all their might to lay a foundation in the economic, political, sociocultural, and defense and security sectors. That foundation has been laid successfully and will continue to be stabilized during REPELITA V [5-Year Development Plan] so that during REPELITA VI the Indonesian people will have a strong, firm basis for beginning the process of taking off.

Consistent

Indonesians consistently pursue an independent and active foreign policy directed toward making a success of national development as an implementation of Pancasila, with the takeoff as a goal.

In carrying out this independent, active foreign policy, Indonesia and other developing countries continue to seek solutions to the various difficulties they face in adapting to disadvantageous world economic developments.

At the regional level, Indonesia's foreign policy priority is the safeguarding and development of ASEAN, which is daily becoming stronger and which we will continue to reinforce.

The ASEAN countries have agreed to give active, positive, and constructive support to the protection, stabilization, and expansion of national and regional resilience. "Development requires an atmosphere of peace and tranquillity, which will be assured if we each possess national resilience and if we collectively possess firm regional resilience."

Therefore, President Suharto said, in the framework of creating firm regional resilience there is no need to fear that the nations in the ASEAN region must sacrifice their individual national interests.

The governor of the National Resilience Institute, LEMHANNAS, Major General Subijakto, said in his report that the seminar on ASEAN regional resilience began in January and is attended by participants from ASEAN countries.

Suharto Discusses Proper Role of Press
42130061a Jakarta MERDEKA in Indonesian
10 Feb 89 p 1

[Text] Jakarta, Thursday [9 February]. MERDEKA—President Suharto hopes the national press will be able to encourage development of national qualities of openness, creativity, willingness to lead the way in exploiting opportunities, and courage to take calculated risks. A nation with such qualities is much needed for national development's takeoff process.

The head of state said this in written remarks read by Minister of Information Harmoko at the recognition of National Press Day V at Surabaya on Thursday.

He said some Indonesian people already possess these desired qualities, but others—perhaps most—must still develop them. "We are trying to develop these qualities in various ways, whether directly through education and training or indirectly through creation of supportive conditions," he stated.

For example, the deregulation and debureaucratization policies that were initiated in recent years were in the framework of creating conditions that give more elbow room to segments of the community that are ready to move ahead in self-sufficiency. The results have been as hoped. In several ways, in fact, results have exceeded expectations.

The head of state feels the national press is a comprehensive part of life as a developing community, nation, and state. The national press is an important vehicle in the management of Indonesia's pluralistic society through conveying news, opinion, suggestions, complaints, and expectations to the entire nation.

"In other words, without the national press, we would live in small spheres where we would know about ourselves only. It is the national press that helps to develop, protect, and utilize our oneness and integrity as a nation," said President Suharto.

Broad Impact

Because the status of the national press is so important, the president believes that its success or failure in fulfilling its role will have broad impact on the political, economic, sociocultural, and defense and security sectors.

"The success of the national press will help expedite achievement of the goals we desire. Its failure would delay, and in fact hinder, achievement of targets we have set," said the president. "The awareness of this is what motivates us all to emphasize the maxim in the GBHN [Broad Outline of State Policy] about positive interaction between the press, the government, and the community."

The president also hopes the press will expand as one founded on Pancasila, one that is healthy, one that is free and responsible, and, in other words, a press able to perform its function as a disseminator of objective and educative information. It should be a press that maintains constructive social control, serves as a channel for the aspirations of the people, expands communication with the people, and widens participation by the people.

He said the Indonesian people have moral and political sensitivities that must be respected if we do not want the spread of unrest or disruption.

"Such things do not exist in our country alone. We fully realize that a free press must be a responsible press, which means it must know for itself what the limits are. Such limits develop dynamically as our people progress. The more progressive the education and outlook of the people, the greater will be their tolerance toward these sensitive matters," said the head of state.

Provide Dynamics

At another point in his remarks, President Suharto said the modernization experience of other nations shows that development occurring through so many advances in science, technology, and economics is almost always preceded by advances in the way people think.

A more progressive way of thinking is a very important infrastructure for action in science and technology and for the economic activity that follows.

He hopes the national press will be an important provider of dynamics for reaching that goal. On the one hand, we need to prevent the growth of narrow individualism, but, on the other hand, we need to encourage creativity and initiative among our citizens.

"We must be especially alert to the growth of narrow individualism. We must ensure that the spirit of togetherness always marks the progress and dynamics of our society. On the other hand, we must make much room for personal creativity and initiative," he said.

The president expressed his delight that the existing mass media recently have been progressing well, both qualitatively and quantitatively.

Various types of publications have been issued to serve the many groups in the community. Because of their increased purchasing power, people in cities, towns, and some of the progressive villages have been able to subscribe.

Government Announces New Oil Deregulation Measures
42130062

[Editorial Report] Jakarta KOMPAS in Indonesian reports on 23 February 1989, page 1, that the Indonesian Government has announced new oil deregulation measures, effective 23 February, designed to encourage foreign exploration of oil and natural gas. Without new

discoveries of oil and gas deposits Indonesia could become an oil importer by the year 2001, according to Minister of Mines and Energy Ginandjar Kartasasmita.

The new deregulation measures offer 10 incentives to investors, 7 of them involving production sharing contracts and the other 3 dealing with the price of gas, data access, and feasibility studies. New incentives are also offered for production sharing contracts in deep-sea areas deeper than 600 feet. Under the new incentives, the government will retain 75 percent of revenues from exploration and production conducted in less accessible areas, while 25 percent will go to the contractor. Previously the state kept 85 percent and the contractor 15 percent.

Text of Trade Memorandum With Thailand
42070063 Bangkok SIAM RAT SAPDA WICHAN
in Thai 22-28 Jan 89 pp 10-12

[Memorandum on the negotiations between the Thai Trade Delegation and the Lao Trade Delegation on 12 and 13 January 1989]

[Text] In accord with the spirit of the joint communique signed by the governments of Thailand and Laos on 25 November 1988 and in response to the invitation by Phao Bounnaphon, the [Lao] minister of trade and foreign economic relations, Dr Subin Pinkhayan, the Thai minister of commerce, led a trade delegation composed of people from both the public and private sectors to Vientiane during the period 12-13 January 1989 in order to strengthen relations, discuss and resolve the disputes, and look for ways to expand trade.

On this occasion, Dr Subin and the Thai trade delegation visited Mr Sali Vongkhamsoo, the deputy prime minister for economic and financial affairs, and Gen Sisavat Keobounphan, the chairman of the Vientiane City Administrative Committee. Cpt Suwit Thatphithakkun, the Thai deputy under secretary of commerce, and several other members of the Thai delegation visited Mr Nangpani Yathoduva, the governor of the Bank of Laos. The negotiations between the two sides took place in an atmosphere of friendship.

Dr Subin Pinkhayan, the head of the Thai trade delegation, held talks with Mr Phao Bounnaphon, the head of the Lao trade delegation (the names of the members of the two trade delegations are attached to this memorandum). Both sides agreed that the joint communique signed by the governments of Thailand and Laos provides a good foundation for expanding bilateral trade relations. They discussed the following matters:

1. On Laos' Investment Law:

Laos said that this investment law was approved by the Supreme People's Council on 19 April 1988 and that it is now in effect. The government is now drafting regulations in order to ensure that things are done in accord with this law. The government of Laos welcomes foreign investment in various economic sectors, such as agriculture, forestry, animal husbandry, crop cultivation and the products of these sectors, road construction, irrigation, hydroelectric power, port warehouses, the mining industry, and various services.

The two sides were in agreement and will provide all-round support. During the next stage, the two sides will stipulate regulations on this.

2. Bank Contact Between the Two Countries:

In order to facilitate trade activities, the two sides agreed to establish contact and exchange data at the central and commercial bank levels using suitable forms and methods.

During the negotiations between the two banking delegations, Laos suggested that the two sides invest jointly in establishing a commercial bank in Laos in accord with Laos' investment law. Thailand said that it would provide technical support and help train Lao officials.

3. Trade in General:

3.1. The two sides agreed to adhere to the joint trade agreement signed in 1978. They agreed to study and revise this agreement in accord with the situation.

3.2. Laos suggested that Thailand consider reviewing the list of strategic goods and other controlled items. It also suggested that Thailand relax its regulations and reduce the number of steps involved in issuing permits in order to speed up things.

Thailand said that it has now reduced the number of strategic goods to only 29. If Laos feels that there is a problem with some item, it can inform Thailand, which will consider the matter.

As for the other controlled items, those are items necessary to Thailand's economic and political position. There are very few such items, and the controls are in effect for all countries. The Thai delegation submitted a list of the controlled goods in order to provide Laos with detailed information on this.

Besides this, Thailand said that it supports relaxing the regulations and reducing the number of steps involved in issuing permits as proposed by Laos.

3.3. Laos suggested that Thailand review its tariffs on agricultural goods and processed and semiprocessed lumber imported from Laos.

The Thai delegation said that it would submit this matter to the units concerned.

3.4. The two sides agreed to work together in formulating border trading regulations. That includes working together to prevent smuggling.

3.5. Laos suggested that Thailand review the cross-border transportation fee. Laos feels that the fee is too high and that this has pushed prices higher. It suggested that there not be a monopoly on transportation. It also asked Thailand to ease the regulations on transporting goods across the border.

The Thai delegation said that it would submit this matter to the units concerned as soon as possible.

3.6. In order to expand bilateral trade, Laos suggested that Thailand open additional border transit points, including the Chong Mek-Vang Tao, Nakhon Phanom-Thakhek, and Chiang Khong-Huai Sai points. In particular, Laos asked Thailand to give special consideration to the Chong Mek-Vang Tao transit point.

The Thai delegation said that it would consider this and added that it should be possible to open two additional transit points in the near future.

4. Timber Trading:

Laos told Thailand that the Lao government has prohibited the export of logs. The timber must be processed domestically. But in order to show Laos' willingness to cooperate, Laos proposed two forms of cooperation. Activities can be carried on on a government-to-government basis or between the Lao government and Thais in the private sector.

4.1. The two sides can cooperate in carrying on timber processing operations in Laos.

4.2. If necessary and if both sides agree, timber operations can be carried on in Thailand. Laos will supply the number of logs agreed on for processing, with the profits divided after the lumber is exported.

The two sides agreed to establish a technical team to discuss Thai-Lao timber activities. The team will then submit its views to the units concerned.

5. Establishing a Joint Trade Commission:

Both sides agreed in principle to the establishment of a Thai-Lao Trade Commission. This will be a joint organization whose task will be to resolve trade disputes and promote bilateral trade. It was agreed that subcommittees should be established at the local level. However, it was felt that these subcommittees should not be established until after the government-level Thai-Lao commission is established.

6. Providing Technical Help:

Thailand proposed in principle providing technical help to Laos on commercial matters, such as insurance, registration of partnerships and shops, weights and measures, and measures to promote exports. This will be discussed in detail at a later date.

Laos said that it welcomes such help and thanked Thailand.

7. Exchanging Trade Data:

Both sides agreed to exchange trade data with each other.

8. Both sides agreed that this meeting between the two trade delegations had benefited both sides. They agreed that this had helped to restore relations and improve mutual understanding. They agreed to hold more meetings at various levels in order to help implement the trade agreement and the joint communique signed by the two countries.

The Thai delegation thanked the Lao delegation for the warm welcome that it had received. Dr Subin Pinkhayan, the Thai minister of commerce, invited Phao Bounnaphon, the Lao minister of trade and foreign economic affairs, to pay an official visit to Thailand. Mr Phao Bounnaphon accepted this invitation. The date of the visit will be set later.

This memorandum was written in both the Thai and Lao languages.

Vientiane, 13 January 1989

Head of the Thai Trade Delegation

Head of the Lao Trade Delegation

Thai Delegation Gets Assurances on Investment
42070059a Bangkok *DAILY NEWS* in Thai
31 Dec 88 pp 1, 16

[Excerpts] [Passage omitted] A delegation from the House Foreign Affairs Subcommittee headed by Mr Prasop Butsarakham, the chairman of the subcommittee, visited Laos during the period 26-30 December. They made the trip in order to study investment possibilities in Laos. In his capacity as an advisor to the subcommittee, Gen Kriangsak Chamanan, the former prime minister, accompanied the delegation. The delegation met with Mr Sisomphon Lovansai, the acting president of the Supreme People's Council, Gen Sisavat Keobounphan, the Lao supreme commander, and Mr Phoun Sipasoet, the Lao deputy prime minister and minister of foreign affairs.

After returning from Laos, Mr Prasop Butsarakham told reporters that [passage omitted] based on what was seen this time, the subcommittee is confident that the investment environment in Laos is now quite good. Laos must open up the country. Laos has promised to give first consideration to Thai businessmen, because we are brothers. Thais no longer have to be suspicious of Laos. Besides this, Laos has promulgated an investment promotion law. Mr Phoun said that the Lao government will not nationalize the assets of foreign investors, which is something that investors have feared. Laos has also implemented a policy of establishing banks. Thus, the subcommittee will propose that the Thai government establish a bank in Laos in order to build confidence and make things more convenient for investors. The government should take a more favorable view toward Laos. Mr Phoun said that the Thai government should help solve the Cambodia problem by exerting pressure to have them administer their own affairs without outside interference. If this problem is mishandled, all the countries in this region

will be affected. The subcommittee feels that this is a new position. [passage omitted]

In conclusion, Mr Prasop said that with respect to investing in Laos, Thai investors should remember three things: Laos can become a market for Thai goods. Investors should not become involved in large-scale projects but should invest on a moderate scale. The investment law should be studied carefully. In particular, contracts should be written very carefully, because Laos does not yet have a court system. If problems arise, investors may have to use the World Court if they are involved in large-scale business operations. [passage omitted]

Mr Somphavan Inthavong, the Lao deputy minister of trade and foreign economic affairs, said that Laos is an independent country. If there is joint Thai-Lao investment, there shouldn't be any problem with outside interference. The investment promotion law promulgated by Laos states that foreign investors will be exempt from taxes for at least 3 years. Thai-Lao relations have improved greatly during the past 5 months. Approximately 200 Thai investors have contacted Laos about investing there. Fifteen have contacted Laos officially. Three factories have been built. Only 11 investors from other countries have contacted Laos.

Reader complains About Foreign Funds Remittance Problems

42060032a Vientiane PASASON in Lao 4 Jan 89 p 2

[Excerpts] To the editor of PASASON: [passage omitted]

I have relatives living abroad who occasionally send money to me. The checks are sent through the mail, and we

take documents to the post office to pick up the checks. We then have to go and stand in line at the Purchase Unit of the Foreign Trade Bank, which is very time consuming. Thus, we have asked our relatives to deposit the money in the accounts of merchants, who charge a 20-percent commission for this service. This is not quite proper, but it is much easier.

This is a good method. But the problem is, they use our money for other things. If we go to get our money in the morning, they tell us to come back that evening. Sometimes, they tell us to come back at the end of the week. They give us our money in installments. Sometimes, they say that their wife has the money, but when we go to see the wife, she says that her husband has the key. On occasion, I have had to walk so far in the sun that I have felt dizzy. I sometimes get so angry that I would like to report them to the officials. But then I remember that I have violated the regulations. I have changed dealers three times. Things went smoothly only the first time. On occasion, they have cheated me out of my money. Actually, I would probably get more money if I handled things through the state.

I am writing this letter to express the frustration that I and others feel. I would like to suggest that bankers who have studied abroad make an effort to improve their services and make it easier to withdraw money. Why is this so convenient abroad? They can use checks anywhere. As things stand now, half of the remittances from abroad go into the pockets of private individuals, which they use to stir up trouble at the markets. People must be made aware of the fact that these merchants use many different tricks to take advantage of people. [passage omitted]

**'Campaign' Against Tropical Oils Reduces
Coconut Earnings**

42000097a Manila BUSINESS WORLD in English
31 Jan 89 pp 1, 6

[Text] The massive campaign in the United States launched by the American Soybean Association against tropical oils is already taking its toll on the local coconut industry.

The Philippines is estimated to experience close to \$24 million (P512.4 million) in opportunity income loss if the downtrend in coconut oil prices worldwide continues.

Fritz Gemperle, board member of the Philippine Coconut Authority, told reporters yesterday that the protectionist moves in the U.S. have resulted so far in a \$60 per metric ton drop in the commodity's price to P470 per MT from the previous P530 per MT.

The country exports about 400,000 MT of coconut oil (CNO) to the U.S. alone, roughly 30%, or \$212 million (P4.53 billion) of total CNO exports worth \$700-\$800 million yearly.

Mr Gemperle said that until now, there are no CNO orders from the U.S. for this month and next month's deliveries. If this downtrend continues both in prices and exports volume, he said even local prices of all coconut products of all coconut products will drop. Currently, a kilo of copra costs P7 in Manila, he said.

Mr Gemperle said ASA has shifted to strong-arm tactics since the tropical oils labelling bill it was supporting was not passed by the U.S. Congress. The organization has launched a nationwide media and advertising blitz aimed at housewives, centering on the alleged harmful effects to one's health of CNO in food products.

ASA has been claiming that CNO is rich in saturated fats and contributes to the increase in cholesterol levels in one's body. Mr Gemperle admitted that both pro-CNO and anti-CNO groups do not have concrete evidence that CNO is either good or harmful to one's health.

Legal Suit

Philippine Coconut Authority chairman Jose V. Romero said that he will be filing a case against Phil Fokolov, head of the U.S.-based National Hearts Savers Association and the ASA for their disinformation campaign against CNO.

Mr Romero said mr Fokolov, a multi-millionaire, is supporting the ASA campaign and had announced that five food manufacturers had shifted to soybean oil from CNO.

Mr Gemperle said Procter and Gamble, a leading food and detergents manufacturer, has only recently announced that it is now using soybean oil, instead of the usual palm oil, in its Crisco vegetable lard.

It was after this announcement that the price of both CNO and palm oil dropped in the U.S. market, and later the world market, he said. Now, even Europeans are buying cheaper CNO, he added.

Mr Gemperle said housewives in the U.S. are preparing to march from Illinois to Washington, DC in a massive lobby effort against tropical oils.

Ad Campaign

The Philippines will be mounting a major advertising campaign with Malaysian, which produces palm oil, in the U.S. to counteract the ASA moves. Mr Romero said the Philippines has already accumulated some \$750,000 for the campaign, of which the private sector contributed some \$240,000. He said this budget is nothing compared to the \$20 million spent yearly by the ASA in its campaign.

U.S. Department of Agriculture figures show that imports of tropical oil have dropped over the years. Last year, for example, CNO imports fell by 18% to 450,000 MT from 548,000 MT in 1986. Palm oil imports also decreased by 37% to 175,000 MT from 280,000 MT in 1986.

**'Indicator' Column Cites Population's
Dissatisfaction**

HK0602054189 Manila BUSINESS WORLD
in English 6 Feb 89 p 2

[“Indicator” column: “Discomfort Index”]

[Excerpt] [Passage omitted] A renowned economist named Arthur Okun half-seriously suggested the discomfort index to measure the general “unhappiness” of a population. This measurement was derived simply by adding the unemployment rate and the changes in consumer price index or inflation rate.

A discomfort index reading of 9 percent was supposedly the threshold at which people start to become “agitated.”

The consequences of a disturbed society, of course, range from higher incidence of crime, more strikes, insurgency, coups d'etat, to anything that will show a population's dissatisfaction—usually addressed to the government.

After its relieving plunge in February 1986, that is, after the EDSA (Epifanio De Los Santos Avenue) revolution to the first half of 1987, the discomfort index graph of the country is showing signs of a gradual uptrend.

Latest data available (Oct.'88) show the Philippines' discomfort index running 16.26 percent, an improvement from the July'88 reading of 17.6 percent. Things, however, seemed to be better in 1987. The index was at 15.7 percent in October that year. But still, the readings were almost twice the threshold prescribed by Mr Okun. The obvious suggestion is that beneath the facade of 5.9 percent and 6.7 percent GNP real growths posted in 1987 and 1988, respectively, a great number of the people were still frustrated over rising prices of commodities or inability to find a means of living or both.

But the threshold of 9 percent that was based on a Western country's standard should not be taken as absolute.

Different cultures seem to vary in their tolerance levels. Countries with long histories of turbulence—Chile, Brazil, and Vietnam for instance—usually have higher tolerance levels.

But here's the catch: in the first half of 1985, the Philippines' discomfort index average was atrociously high at over 54 percent. The following months, incidentally, saw the downfall of the seemingly invincible juggernaut of the Marcos regime. [passage omitted]

Negros NPA Returnees Form Legal Labor Group
42000097e Manila *MANILA BULLETIN* in English
15 Feb 89 p 16

[Text] Bacolod City (ANFI)—Resignees from the Communist Party of the Philippines-New People's Army in Negros Occidental and officers of the underground movement's legal organizations recently formed a labor union called the Democratic and Independent Workers Association (DIWA).

Eddie Federico, a former CPP-Negros official and DIWA president, said the new labor union aims to advance the workers struggle and see to meaningful economic and political reforms for peace.

However, it faces possible repression from the NPA which does not want to see the new labor union take off, Federico added.

Documents from the revolutionary movement show that they plan to oppose at all cost the formation of DIWA, Federico said, because of the CPP's monolithic character which does not allow any other organization to grow that is not under its influence.

In Negros workers are estimated to be 296,453 of which 264,270 are in agriculture, 25,400 in manufacturing, and 6,783 in service businesses.

Of these, only 15,943 are unionized and covered with 138 collective bargaining agreements, Federico said, adding that the unionized workers represent only five percent of the entire labor force.

Negros today is gearing toward gradual economic recovery because of the revival of the sugar industry and the emergence of the prawn culture, Federico said.

However, he pointed out that the impact of the economic recovery has not yet reached the grassroots level.

DIWA forces believe that the government of President Aquino has substantial progressive aspects and provides a liberal atmosphere for the advancement of the people's struggle and therefore deserves support, although critical, Federico said. (Asian News & Features)

Bicol Politicians Report NPA Collecting Poll Debts
42000097d Manila *PHILIPPINE DAILY INQUIRER*
in English 31 Jan 89 p 6

[Article by Danny O. Calleja]

[Text] Legazpi City—Many politicians here, both winners and losers in the last two elections, have been receiving long overdue IOUs and, judging from a report that not a few have sought military protection, the bill collectors are not likely to let them off easy this time.

That the debtors are worried is, of course, no surprise here; the creditors is the New People's Army.

It appears that, based on sources quoting military intelligence reports and admissions by the politicians themselves, the rebels had, for an agreed price, given out "safe conduct passes" to a number of candidates during the last two elections to allow them to campaign even in remote rebel-controlled areas safely.

For some reason or another, however, not everybody delivered as promised. To the National Democratic Front, political arm of the NPA, whether a candidate won or not didn't make any difference; the word is that something like P5 million in unsettled accounts and pledges in kind, including firearms and other logistical support, are up and the NDF is impatient.

The military is not naming names but it knows, having gained possession of documents found in the hands of a ranking rebel leader captured last year containing names of politicians and matching collectibles.

Fearing reprisals, not a few are paying, some on installment. To the rest, the prospects are not so attractive: the NDF has threatened to seize their properties, particularly those situated in the hinterlands.

Publicity, Movie Rights Build Around Wanted NPA Spokesman
42000097c Manila *PHILIPPINE DAILY INQUIRER*
in English 29 Jan 89 p 3

[Text] Lucena City—Two local film producers are vying for the movie rights to the life story of Gregorio Rosal, alias Ka Roger, spokesman of the New People's Army in Southern Tagalog.

Since the well-publicized release of five soldier last August, two movie outfits have been trying to negotiate with Rosal.

Rosal, spokesman of the NPA's Melito Glor Command which directs communist rebel operations in Southern Tagalog, also led a series of negotiations with civilian officials for the release of eight other soldiers who had been captured in Quezon province in the past two years.

The melito Glor Command is set to release an Army sergeant next week.

Olympia Film, which produced the movie Alex Boncayao Brigade, has contacted Col Hernani Figueroa, Southern Luzon Command chief of staff, and human rights lawyer Euclides Abcede, former Lucena City mayor, to act as consultants for the movie, tentatively entitled Melito Glor Command.

Olympia Film, which is partially owned by Ricky Salonga, son of Se Jovito Salonga, has started work on the script. This will later be submitted to Rosal for approval.

Olympia Film, which plans to shoot the movie in the rugged terrain of Mt Banahaw, did not say how much it was paying for Rosal's story.

Another movie outfit owned by Eddie Morales has also reportedly offered some P100,000 to buy the film rights to Rosal's life story.

Morales told newsmen that the movie will star either Ramon Revilla or E.R. Ejercito.

Other newsmen, who have been covering the negotiations for the release of captured soldiers, will also be asked to play their own roles in the movie.

Rosal told the Inquirer over two-way radio last Thursday that although he still has to consult his comrades regarding the offers, he is amenable to a movie on his life.

Rosal said he would only impose one condition on the producers: The movie shall not cultivate a personality cult but would focus on the people's struggle for social change. [passage omitted]

Rosal, who was born in Ibaan, Batangas, is a former student activist at the Golden Gate College in Batangas.

He was detained in Camp Vicente Lim, Canlubang, Laguna, during the early days of martial law. He and 13 other activists bolted prison through an underground sewer. He joined the NPA.

Rosal, one of the organizers of the Quezon-Bicol Zone Command during the Marcos regime, became spokesman of the Melito Glor Command in 1986.

Brig Gen Ramon Montano, Constabulary chief, has offered a P100,000-reward for Rosal's capture—dead or alive.

Stepped-Up Violence Expected From Cebu, Bohol NPA Merger

42000097b Cebu City *SUN STAR DAILY* in English
5 Feb 89 pp 1, 2

[Text] The local military expects stepped-up harassment of the civilian sector by the Communist Party of the Philippines-New People's Army (CPP-NPA) with the merging of the Cebu and Bohol party committees into the Visayas Regional Party Committee.

The prediction was reported by the military before the Peace and Order Council (POC) in Bohol during a recent meeting.

With the merging of these committees, the military said some local terrorist leaders were also elevated to the regional party committee. Among those elevated was Ka Vargas whose real name is Epitacio Ramirez.

Ramirez, aside from being NPA-Bohol operation commander, is also a member of the regional party committee's military staff.

In a report rendered by Deputy Regional Commander for Operations Col Manuel Salimbangon during a POC meeting last month, he said the present military force in Bohol is more than enough to meet the underground forces frontally.

Demand Letters

He also said the province will continue to experience a peaceful atmosphere in the immediate foreseeable future.

Minutes of the recent POC meeting disclosed that a local front, particularly the Trade Union of the White Area based in Tagbilaran city had intensified its recruitment and infiltration activities as reported by Maj Irving Malunda of Task Force Bohol.

It added that the underground taxation scheme and access fees have been enforced with demand letters to some big businessmen with economic interest in the so-called guerilla zone. The report, however, did not specify the guerilla zones in Bohol.

Last year, the underground movement in Bohol sent two letters to a Japanese firm demanding an access fee of P710,000 for P3 billion projects the Japanese government is funding in Bohol.

One of those who signed the demand letters, aside from Ka Vargas, was one Roy Erecre, one of the suspects in the gunslaying of Cebu newsman and anti-Communist crusader Leo S. Enriquez III in 1987.

Over Exercise

Recom 7 Chief Brig Gen Mariano Baccay Jr. had earlier chided Bohol Vice Gov Erico Aumentado for meeting with Ka Vargas on the demand letters and discussing "agreements."

But the Bohol POC, in a show of support for the military chief, adopted a resolution which considered Aumentado's meeting with Vargas a non-existent.

Baccay called Aumentado's meeting with Vargas an "overexercise of discretion and prerogative."

The provincial POC in Bohol led by Gov Constancio Torralba during the meeting the other day acknowledged a policy on local government officials' meeting with rebels.

Local government officials are not authorized to meet with Communist rebels unless the meeting has the imprimatur of the POC and coordinated with the military and unless such meeting entails the rebels' intention to surrender.

Police, 'Party Papers' Explain Downturn in NPA Urban Operations

HK2702103989 Manila THE MANILA CHRONICLE
in English 26 Feb 89 pp 13, 13

[Excerpts] After years of almost unrestrained sowing of terrorism in Metro Manila, the Sparrows seem to now be reluctantly clipping their own wings.

Weighed down by organizational overstretch, made vulnerable by a loose chain of command, hounded by vigilantism and urban militarism and, most significant of all, hampered by a radical change in the revolutionary strategy, the urban guerrillas of the New People's Army are slowly leaving the cities.

Sparrows are members of the Alex Boncayao Brigade (ABB), the NPA's urban guerrilla unit based in Metro Manila. Similar units also operate in other cities of the country. The word Sparrows, derived from "special partisan operations," are also known as armed city partisans (ACPs).

Evidence that the Sparrows are in flight can be gleaned from documents issued by the Communist Party of the Philippines (CPP) during its 20th anniversary last Dec. 26.

The paper indicated that the pullout of the ACPs started early this year and is still continuing in Metro Manila, Cebu, Davao and Angeles cities.

"The Sparrows have lost their cause. I think we have neutralized them," said Lt. Col. Romeo Maganto, former commander of the Western Police District's station 1 in Tondo and one of the country's most efficient anti-communist warriors.

Maganto and his fellow officers believe that the Sparrow's indiscriminate killings and the effective anti-communist intelligence network of civilians, over and above change in Communist Party policies, were the main factors behind the ABB's defeat in Manila.

"When we first entered Tondo in 1986, we did everything to win back the people's trust. Then, after installing a very effective and efficient intelligence network among the communist-infiltrated barangay of Tondo, we rattled the Sparrows in their safehouses and sanctuaries. Binulabog namin sila kaya ayan, nagsisilayas na," [They left because we hit them hard.] Maganto said.

The military's job was made easy, according to Maganto, by the ABB's sloppy intelligence work and the debilitating security lapses it committed.

In a way, these errors seemed inevitable. Since the ABB must stay deeply underground, it was made up of a loose, clandestine and largely autonomous network of cells or "factory-level groups" scattered all over the metropolis.

The decentralization, nonetheless, apparently resulted in laxity in recruitment and training. New members were accepted hastily even before thorough background checks could be made on them. And it seems the same sloppy procedure was followed in the selection of targets.

"Because of the super secret nature of the armed city partisans, there was a significant number of operations which did not have the approval of the leading organ," explained Rogelio Bautista, a high ranking member of the CPP who is accredited by the military as among those who introduced the concept of urban warfare into the NPA strategy.

"Often times, control, target selection and analysis of the operation's intensity or political impact were not thoroughly considered," Bautista related in an interview with the CHRONICLE.

Because of the sheer number of their operations and the laxity in recruitment and discipline, the Sparrows also became convenient targets for police and military agents.

"It was very easy to trace and spy on them. You could easily spot them in street rallies. In fact, infiltrating their ranks was hardly challenging," Maganto claimed.

The rise and fall of ABB operations have largely been determined by the lawmen's counter-offensives.

After reaching a high in killings in March 1987, the Sparrows were forced into hibernation with the launching of Oplan 2000.

Launched by Capcom chief Brig. Gen. Alexander Aguirre, the plan called for the formation of heavily armed anti-Sparrow units in the different police stations of Metro Manila.

The program started with the formation of "hunter-spotter teams" in the Eastern Police District. This was shortly followed by the creation of the Blue Eagle Squad of the Western Police District.

After the initial success of Oplan 2000, the number of Sparrow victims again increased, reaching a peak of about 25 victims in October 1987.

The resurgence of Sparrow activities was however cut short with the formation of vigilante groups in some of Metro Manila's "communist-infiltrated barangays."

In Tondo, for instance, the Manila Crusaders for Peace and Democracy (MCPD), which was organized by Maganto in June, began to produce results. A number of ABB safehouses were traced, raided and alleged leaders and combatants were arrested.

The counter-intelligence methods used by the police and the civilian anti-Sparrow groups were admittedly crude and questionable (like the highly-ridiculed "mole-hunt" and the much-condemned hooded spies). However, one thing was clear: they were hitting their targets and were slowly dismantling the Sparrow nests which took the ABB years to build.

The ABB was repeatedly caught flatfooted. By December of the same year, the Sparrows were only chalking one victim per week, a far cry from their record of five killings in 10 hours posted in the middle of 1987. The ABB first left an indelible mark in the minds of city folks when, on May 1984, Sparrows assassinated Brig. Gen. Tomas Karingal, superintendent of the Northern Police District. The killing marked the ABB's official entry into urban politics and it was never the same again.

The idea of an urban-based guerrilla unit is not new. Bautista said the concept was born the same time the NPA was in 1969.[passage omitted]

This new approach challenged the party's long-held revolutionary tactic of encircling the city from the countryside. In effect, the strategy was a direct application of the lessons learned from the revolutionary experience of

Nicaragua where the Sandinistas were able to topple the Somoza regime through a combination of countryside guerrilla warfare and political insurrection in the cities.

Emil Trinidad, an ABB spokesman, said that Karingal's killing signalled the start of the Sparrows' war in Metro Manila against the "enemies of the people who have blood debts with the masses."

Among the targets were "policemen connected with crime syndicates, drug traffickers, salvaging masterminds, key persons in the military's counterinsurgency psy-war program, strike breakers, torturers, rapists, community thugs, abusive policemen, extortionists and even policemen involved in the Mendiola Massacre of Jan 22, 1987."

The ABB's victims have included men from among the various services of the Armed Forces of the Philippines and the different units of the Philippine Constabulary-Integrated National Police.

Civilian agents, barangay leaders active in vigilante activities, "pro-capitalist" labor arbiters, millionaire-businessmen who reportedly collaborated with the military, and even a Manila university official who rashly crossed the path of his activist students were not spared from the Sparrows' wrath.

But while ABB targets were varied, the pattern of their operations was not. The ABB modus operandi is quite simple: an operation involves three to five men, a woman as bait and a contact person who identifies the target.

This simple pattern, policemen relate, was soon imitated by ordinary criminal gangs who murdered and robbed in the name of the Sparrows.

Said the ABB in one of its press statements in late 1987: "Since the ABB elevated its campaign against the military, abusive policemen and notorious henchmen, other groups, some of which have been encouraged if not outrightly supported by the military establishment, have started aping our tactics in their notorious activities."

Despite the denials, Sparrow operations—genuine or fake—soon became the stuff of which tabloid headlines were made.

"It's true we made mistakes," admitted Bautista. "May mga plapak rin haming operations. [We also had some failed operations.] Ito ang mga [Here are the] instances when ordinary traffic policemen or civilians who intervene in an operation against somebody else are killed."

Bautista said the party has "always stressed that ACPs must focus not in numbers but in the quality of targets."

"Unfortunately," he added, "what happened was that a lot of the small fries were eliminated while the prized personalities remain at large."

Inevitably, the word "sparrows" alone soon conjured bloody assassinations and treacherous ambushes. Gradually, the ABB lost the sympathy of the more sensitive members of the urban middle class and legal Left members, who became the objects of reprisals from military, police and anti-communist groups. Satur Ocampo, a member of the National Democratic Front to which the CPP-NPA belongs, said in an interview in 1987: "The terror effect is largely the result of the anti-communist hysteria generated by the military and the police, with the witting and unwitting cooperation of the mass media. The middle classes seem to be particularly susceptible to this psychological manipulation, and not a few of our friends have raised questions or expressed concern."

Arguably, the Sparrows have become a liability to the party's united front political activities in the strategic urban centers.

Not surprisingly, in policy statements issued to mark its second decade, the CPP decided to pull out its forces from urban centers to concentrate the resistance in "rural sanctuaries."

The withdrawal, the documents said, was in keeping with the official line of "encircling the cities from the countryside," one of the tenets on which the NPA was established in 1969.

The pullout of the ACPs in the various cities of the country also signalled the defeat of the so-called militarists in the CPP-NPA hierarchy.

The militarists had called for increased urban insurrection and had prescribed heightened violence in the cities to create an artificial state of revolution right in the backyard of the enemy.

But over this apparent return to the basics of waging a protracted guerilla war in the countryside, the withdrawal also appears to be a tacit recognition by the party of the unique nature of urban politics.

"The operations of the armed city partisans should run at a rate and style not overshadowing the violent internal strife of the reactionaries and not prejudicial to the legal democratic mass movement," the party papers stated.

In effect, the party has left out the urban political arena to Rightist elements and their bloody coups, and it seems that the CPP-NPA leadership has also finally heeded the call of its allies in the legal Left to tone down the intensity of the ACP's urban operations.

But while the recent decline in the activities of the ABB in Metro Manila appears to be the culmination of contemporary factors, the "retreat" may just be another chapter in the history of the underground's revolutionary strategy.

"The slowing down of the activities of the ACP's doesn't necessarily mean that we have been defeated," explained Bautista, adding that in the early 1970s, a similar "retreat" of ACPs were also effected.

"It is true that there has been a noticeable decline in the ABB's operations; but in any revolutionary movement, it is normal to slow down, reassess the gains and readjust the strategies to fit the objective conditions," Bautista said. "It is like a cycle where an organization needs to consolidate in order to expand."

According to Bautista, "it is very probable that the ABB is lying low in preparation for bigger targets, bigger involvements and thus, bigger crackdown from the police and the military."

Indeed, in a recent announcement on the start of its summer offensive, the ABB said it will have as targets senior police and military officers, high government officials, businessmen, and even foreign dignitaries in the following months.

Police and soldiers, however, sneer at the ABB's threats.

"The so-called summer offensive being launched by the Sparrows is nothing," Maganto said. "This is just black propaganda. It's like the last roar of an old and dying lion. They just want to be noticed." Many in the city hope he is right.

Leftist Weekly on Evolution of Panay Rebel Land Reform

42000095 *Quezon City NATIONAL MIDWEEK*
in English 25 Jan 89 pp 12-15

[Article by Isidro G. Labrador: "A Harvest of Liberation"]

[Excerpts] Nestled in the plains of Panay Island, the barrio of San Simon (not its real name) at first glance resembles any other Philippine village. Small nipa houses dot the expanse of green. The land, a sea of palay, is occasionally broken by clumps of bamboo and banana growing in natural profusion. On the fringes of the barrio, the land rises to form a wall of gently rolling hills.

But San Simon is no ordinary village. It is one of those that have come under the influence of the National Democratic Front during the last several years. It is also one that has reaped modest successes in the implementation of the agrarian revolution program spearheaded by the NDF-affiliated Pambansang Katipunan ng mga Magbubukid (PKM) [National Farmers Union].

The gains, both economic and political, that the people have been reaping were not made possible overnight. The fruits were harvested only after years of patient organizing and active mobilization.

Indeed, the struggle has come a long way since 1981 when the first NDF Propaganda Organizing Team or POT came to this remote village. The members of the team discussed with the people the prevailing social conditions at the time. From these discussions, the POT learned about the problems confronting the farmers and farm workers.

San Simon up to the late '70's was a producer of sugarcane. Barriofolk who worked on sugarcane plantations received only P7.00 for every ton of sugarcane that they cut and loaded on trucks. The measly amount certainly was not commensurate to the labor expended by the farm worker. The amount he earned every day was not even enough to feed and clothe his family, much less send his children to school.

In the process of social investigation it became evident that the issue of low wages of farm workers must be urgently addressed. The POT lost no time in explaining to the people the significance of their economic condition and how it was related to larger social problems. Not long after, an organizing group (OG), composed of the most politically advanced peasants, was formed in the barrio. From then on, it was the OG that pursued the task of arousing, organizing and mobilizing the people.

In subsequent meetings that were convened by the OG and participated in by the barrio people, it was decided that a campaign for the increase of farm workers' wages should be launched. At the helm of the planning was the OG. The actual negotiation, however, was led by a peasant leader. The group of farm workers talked to the encargado or administrator and presented their demands. The encargado in turn relayed these to the landlord. [passage omitted]

In 1986, the need for a mass organization that would unite the farmers and farm workers in the struggle became evident. While the people had been politicized to a relatively high level, there still existed no formal organization that would serve as a venue for more concerted and militant actions. Thus, in the same year, the PKM was formed in the barrio level. Today, it has a general membership of 57. Of these, 17 belong to the Council of Leaders. The rest of the members belong to any of the 5 committees of the organization, namely finance, education, health, defense and communication.

From the very beginning, the organization had to face 4 urgent matters: occupation of idle land; land rent reduction; irrigation; and usury. [passage omitted]

Thus the campaign to occupy and cultivate idle land was launched in San Simon and many other barrios in Panay.

The first organized negotiation in the barrio was conducted on the same year that the PKM was formed in San Simon. Fifteen PKM members approached the encargado, with the request to farm the landlord's idle land. [passage omitted] The fourth time around, the PKM warned the landowner that if he still refused to accede to their request, the masses would forcibly occupy his land and cultivate it. The organized peasants made good their "promise." Using the landlord's tractor, they plowed the land while the local militia patrolled the perimeter in anticipation of any reprisals from the landlord.

Seeing the firm stand of the peasants on the issue, the landlord finally buckled under pressure. Twenty hectares of idle land and two hectares of ricefields were given to them to farm. The terms of sharing the harvest was a matter the landlord left for the farmers to decide.

A meeting was held immediately after the occupation to determine who the direct beneficiaries of the land should be. Priority was given to those who did not own any piece of land. Fourteen landless farmers eventually got their portion of the land. Each was given an average of one hectare.

After the first cropping, the farmers gave two-thirds of their palay harvest to the encargado following the *terciahan* sharing system in the barrio. [passage omitted]

In 1986, the organized farmers decided that they would surrender only one-fourth of the harvest. A year later, however, the farmers moved to confiscate the entire harvest.

The action was prompted by the landlord's move to form a vigilante group in the barrio. [passage omitted]

Aside from the campaigns for higher wages, land occupation, land rent reduction and confiscation of harvest, was the construction of an irrigation system.

With nothing but their sheer determination and strength as capital, plus the simple tools they had, 37 farmers pooled their efforts to construct an irrigation system. [passage omitted]

More significantly, the farmers are now assured of three crops every year instead of just one or two. This means additional income which means more food, more change of clothing and even education for the children.

For the management of the irrigation system, the farmers formed an organization to take charge of fee collection, tapping of volunteers and hiring of workers to do repair work.

For the use of the irrigation system, each beneficiary pays P1.50 for every sack of palay he harvests every cropping season. In an interview, Ka Nando, a member of the irrigation association council, revealed that the

organization now has net earnings of P4,000. This amount has been earmarked for the repair and construction of a concrete irrigation system.

Members of the irrigation association are mostly PKM members and supporters, although there are some landlords. In fact, the present chairman of the group is a small landlord sympathetic to the cause of the landless farmers.

Still to be resolved in San Simon is the problem of usury. In the barrio, it is the landlords and rich peasants who are also the usurers. From them, the farmers borrow either cash or farm inputs. The peasants are charged an interest rate of 7 percent per month.

No direct action has been taken against these usurers because most of them (except for the landlord whose land was occupied and whose harvest was confiscated) are "allies" of the revolution.

However, the PKM has included in its program for the coming months the reduction of interest rates to 5 percent and eventually to 3 percent.

The PKM in San Simon has proven itself worthy of the trust and support of its members and sympathizers. Though still in its infancy as an organization, it has already initiated projects that have not only strengthened the people's political will, but have catered to their most immediate needs.

The organization now boasts of a thresher and a water pump, both readily available for the farmers' use.

A nun who was a PKM supporter gave P10,000 to the organization in 1986. With this amount, the PKM paid the initial installment for the water pump which cost P15,000. The remaining P5,000 the farmers agreed to pay by installment from the money they will earn by renting out the pump. At present, they only have P2,000 left to pay before the organization can claim the pump as its own.

In the meantime, the water pump is rented out to farmers. The rental charged depends on the amount of gasoline used. Each user pays P25 for every liter of gasoline consumed. This amount is P10 lower than the prevailing rate of P35 per liter being collected by the three other pump owners (who are also rich peasants). Every year, the organization earns P1,000 from this venture.

The thresher, on the other hand, was given to the PKM by an ally. This, like the pump, is being rented out to farmers. For every 18 sacks of palay threshed, 2 go to the harvester, 15 to the landowner or tenant, as the case may be, and 1 goes to the thresher. The amount accumulated is also used to pay for the motor.

In March 1988, however, an incident almost ended this enterprising effort. The military confiscated the pump and the thresher, alleging that these were owned by the NPA. The PKM members wrote a letter demanding the immediate return of the farm machinery, testifying that these were owned by the farmers. The letter was signed by the farmers, the dealer, the nun who donated the money for the thresher and even the town's vice-mayor. The military filed a case in court, but it was dismissed a month later. Clearly, the case was filed to harass these farmers and deter them from organizing themselves to fight for their rights.

The implementation of the agrarian revolution program has helped the peasants in no small way.

One full meal a day was all they could afford before. Two full meals were rarities. Today, the additional income derived from the second and third croppings assures them of three regular meals every day. If all they could afford before was rice and bagoong and salt for viand, now it is not uncommon to find fish on their tables. Even sugar and coffee are no longer alien to them. Marketing, an activity the people could not afford before, can now be done twice a week.

Parents now have the means to send their children to either the elementary school in the barrio or even the secondary school in town. Figures cited by residents confirm that all children of school age attend elementary school, 95 percent attend high school, and some 5 percent are enrolled in two-year vocational courses.

The economic gains become all the more significant when one considers the political gains that have come with them.

The people have achieved a higher social and political consciousness. They have seen the power that a united and organized people can do and this has boosted their confidence and steeled their determination. They are no longer cowed into submission by the landlords because they know their rights. In fact, during negotiations with the landlord or the encargado, it is the masses who unhesitatingly confront them.

This higher political consciousness has translated itself into a deeper understanding of the revolutionary movement. While not all the farmers in the barrio are PKM members, they support the revolutionary movement. They openly acknowledge the crucial role of the revolutionary forces in initiating changes and improving their living conditions. Armed struggle as a component of the national democratic revolution is also widely accepted.

Such enthusiasm and warmth show only too well the massive support the movement enjoys in the barrio. An example of this support was manifested when the policy was made asking beneficiaries of the land occupation program to give 2 percent of their net income from palay production to the PKM. The masses not only readily

agreed. They even suggested that 5 percent would still be reasonable and that they would be willing to give that much to the organization aside from the P1 membership fee they pay every month.

It is not difficult to understand why those in the revolutionary movement have earned the support and respect of the people. In this barrio, as in many other barrios where the revolutionary forces have massive influence, the people, in practice, are part of the movement in which campaigns are launched by the people themselves. The revolutionary forces initiate political education sessions and give guidance to the mass organizations. But in the main, it is the people who directly manage and implement the activities of the campaign.

No one would deny, however, that the NPA, including the local militia, has had a significant role in protecting the gains of the organization. Without the guerrillas and the pressure they exert, it would have been so easy for the landlords and their paid goons to sabotage the harvests and thus demoralize the masses. The presence of the NPA and the local militia and the vigilance of the masses have prevented them from causing serious damage to the organization and its activities. Cattle rustlers, for instance, are caught and punished.

The PKM, for its part, has begun to assume a greater role in the community. Even if the local barangay setup is still intact, the organization has begun to function as the local political authority, taking charge of education and defense matters, aside, of course, from settling disputes that range from the agrarian to the marital and personal.

The peasant mass organization is consolidating the gains it has reaped through the years. It also looks forward to forming its own production cooperative. As envisioned by the members, the cooperative will provide seeds, fertilizers and pesticides to its members and will serve as alternative to the agriculture input dealers who charge exorbitant prices for their products.

To finance the project, the organization has begun a series of activities that, hopefully, will provide them with part of the needed capital. Last summer, the PKM sponsored a dance, netting P1,000 from the five-peso tickets sold. Another finance project is the flores. Members serenade fellow farmers in their homes with revolutionary songs and native ditties and ask for contributions to the organization. Obviously, these fund-raising activities cannot provide sufficient amounts, but members are not in the least daunted as they continue to find other means of financing the project.

Today, the PKM continues to play a major role in the implementation of the program for agrarian revolution in San Simon.

Without the PKM, the task of implementing the agrarian revolution could not have been done as comprehensively and rapidly. [passage omitted]

From their base in San Simon, the peasants plan to form PKM chapters in other barrios and on the municipal level so that a coordinated campaign on issues can be launched more successfully. [passage omitted]

Chatchai Advisor, Finance Minister Comment on Policy Issues

42070057b Bangkok MATICHON in Thai 2 Jan 89 p 5

[Interview with Dr Chuanchai Atchanan, a policy advisor to the prime minister, and Mr Pramuan Saphawasu, the minister of finance; date and place not specified]

[Excerpts] Dr Chuanchai Atchanan

[Question] What financial and monetary problems is the country facing? [passage omitted]

[Answer] Today, the most worrisome problem is the conflict between fiscal and monetary policy. There are conflicts among the administrators. That is, is the Ministry of Finance interfering with fiscal policy too much? That is one question. [passage omitted]

[Question] The government has announced that income taxes will be lowered in order to increase the use of capital. Will this conflict with the policy of promoting savings?

[Answer] I don't understand why taxes have to be lowered. This may be a Ministry of Finance measure, and it will not benefit the country. Those are voluntary measures, like restricting imports. They believe that too much is being imported. And so they have taken steps to change that. But actually, the problem is that there is not enough money for investment. The problem isn't the trade balance. Put simply, this won't work.

There must be a balance. But they shouldn't think that imports are too great, because they are the ones responsible for this. They hold opposing views, but according to economic principles, you can't use voluntary measures. Today, there are rumors that voluntary measures will be used in providing credit instead of using the market mechanism. If that is done, it will shake the financial system instead of helping to stabilize it. The present economic growth rate of 7-8 percent is fine. Ten percent is too high. If things are fine as they are, why interfere?

[Question] Some people think that the government is spending too much money and that we may end up in debt as in the past.

[Answer] Last year was the only year that the government increased revenues. But the government tends to spend too much on investment. We may well end up like before. But I don't think so, because the money, such as the 40 billion baht for the electric streetcar project, will be repaid over time. You have to look at the debt payment period. You are using the whole amount. But after you sign the contract, you have to invest the money. The repayment of the money will show whether you have obtained enough money to match expenditures.

[Question] The government has announced that the ceiling on foreign loans will be raised.

[Answer] The ceiling will have to be raised during the next 2 years. Otherwise, there won't be enough money. It may be raised to \$1.5 billion. It depends on how large our commitments are. It will also be necessary to establish a loan reserve. But the ceiling must be raised to \$1.5 billion, because this concerns public services, both years.

[Question] It is expected that our current accounts deficit will reach 100 billion baht. Will that make it necessary to devalue the baht again?

[Answer] It is estimated that the current accounts deficit will run about 80-90 billion baht. This is an indication that we are spending too much. We have to start economizing. If the debt-service ratio reaches 20 percent, you can't say that things are fine. Measures must be implemented to increase savings in both the public and private sectors.

[Question] In what direction will the Securities Exchange go?

[Answer] The long-term trend for the exchange is not bad. From a technical point of view, stocks are an attractive investment. The main problem is that the Investment Finance Corporation of Thailand (IFCT) has lost more than 6 billion baht because of the exchange rate. It has asked the government for more than 700 million baht to help pay for this. The IFCT has invested in a wide variety of activities. The IFCT hasn't been able to solve the problems. It's not that they can't be solved, but suitable fiscal and monetary measures must be used. The Bank of Thailand must be prepared to issue bonds in order to give them money, because parliament has cut the requested 700 million baht to only 240 million baht, which is not enough. The IFCT must formulate a clear plan on whether it will serve as an investment bank or long-term bank. It must formulate a policy concerning what will be done and which people will serve as the administrative staff on the new projects. If those things are done, I think that the IFCT will be fine.

[Question] If the problems concerning the IFCT are solved, will the stock market improve?

[Answer] Definitely. This should be completed before the start of the new year. The executive board must be changed. I think that this is urgent, because the IFCT is purchasing shares with others, too. It is not alone. If the mother is in trouble, the children will be in trouble, too. If you are alone, it doesn't matter what happens. If the government doesn't take action on this, there could be problems.

If they go to the stock market every day, they will know what is going on. They ask if this stock will be given help. If it has been given help, they will take action. In Hong Kong, for example, they ask what is going to be done. If I know what you are going to do...it's a game.

[Question] Has the prime minister ordered finance to solve these problems?

[Answer] He gave the order a long time ago. But so far, nothing has been done. As an advisor, I shouldn't talk about things that others are doing. All I will say is that speedy action should be taken. Otherwise, this will create problems for others. This problem must be solved, because it can affect people's confidence. As for the IFCT in the past, there wasn't any domestic money. Money had to be borrowed. Now, liquidity has improved. Now that there are domestic funds, the role of the IFCT must change. It can't continue to play the same role. It is essential that the unit responsible for serving as a development bank change its role. The important thing is how it will change its role.

Part of the problem is that we are tied to just one source of capital. But a bank can't do that, because a bank must spread the risk. But a company may not make preparations. They may think that the law will protect them. Politically, the law is not enough. If the government relies only on the law, there will be problems. That will anger the opposition. There are still problems with the 4 April project.

Mr Pramuan Sapawasa

[Question] What do you consider to be your greatest achievement since being appointed minister of finance?

[Answer] I have improved the work of the Ministry of Finance and made things more systematic. Every department is pleased with the work assigned it. Our monetary position has improved, because officials are working efficiently. The same is true of our fiscal position. The national bank is happy with what we have done. The Development Council, which is not subordinate to the Ministry of Finance, has said that the minister of finance has shown more monetary discipline than expected. I have confounded people's expectations. They thought that I would be too weak. But I have proven to be just the opposite. And what is important is that they did not expect me to be able to keep up with all the issues.

[Question] Raising the salaries of government officials and reducing taxes always been your goal?

[Answer] Those were among the first problems that I tackled. Because if we had not done that immediately, we would never have finished. I know that some people oppose lowering taxes. Those who have to pay large sums in taxes feel that the government has not paid any attention to them. Businessmen who earn dividends have to pay 55 percent. If that is too high and they don't earn dividends, we don't receive any taxes. If we reduce the tax to 15 percent, they will be willing to pay their taxes. Mr Chaloeiphon Sirrwikon has said that he is happy with this and that he will pay all his taxes. I have

been a businessman and representative for 20 years. I know all about this. There are still many other things that I want to do but that I can't discuss.

[Question] Some people feel that lowering taxes and increasing salaries conflicts with increasing savings, which could become a serious problem in the future.

[Answer] I don't think that these things have anything to do with each other. As for savings, that is a matter that will be included in our fiscal policy. Raising salaries and reducing taxes are part of the duties of the minister. Once we have raised sufficient funds, we should return some of this money to them. They have the right to save this money. At the same time, I have special projects in mind. But I don't want to discuss these things, because this involves various elements. After I initiate these things, I will discuss them. Because I am not sure whether it will be possible to do certain things. As for whether there will be a conflict, all I can say is that those are two separate matters. If I don't take action, that means that I can't administer fiscal and monetary matters. You have to understand that simply collecting your money and not doing anything with it is not good. It should be returned to you. Money that needs to be spent should be spent, but simply collecting money is not good. All we need is a suitable amount of money in the reserve fund.

[Question] When you referred to future plans, were you referring to the fiscal and monetary plans to be submitted to the cabinet in the near future?

[Answer] Yes. The plans have been formulated. That means that the Bank of Thailand is very happy that the ministry's policies are 99 percent in line with theirs. [passage omitted]

[Question] Many stock market investors hope that you will play a role in revising the market.

[Answer] The market has risen sharply during the past several days even though I have not said anything. You can see that this had nothing to do with me. But market adjustments are tied to interest rates. I am ready to implement policies that will encourage companies to join the securities market. I would take action immediately. Any delays would be due to others.

[Question] You mean that after the criteria for giving approval have been revised, everything will proceed smoothly.

[Answer] Definitely. It's been 10 years. It's now a new market. If I were not certain, I would turn the matter over to my advisory team, which is headed by the governor of the Bank of Thailand.

[Question] What will be the main problem next year?

[Answer] Savings will be a major problem. Both in the public and private sectors. We have already formulated a plan to deal with this. The foreign banks that have asked to come here can help to solve this problem. [passage omitted]

BOI Chief Views Investment Trends, GSP Issue
42070057c Bangkok MATICHON in Thai
31 Dec 88 p 6

[Interview with Mr Thira Phanuphong, the secretary general of the Board of Investment (BOI); date and place not specified]

[Excerpts] [Question] Has the role played by the BOI helped the economy to grow?

[Answer] In my view, investments will help the economy to develop and increase the number of products for export. Most of these will be activities promoted by the BOI. Production must be promoted if we want to have products. Thus, there must be investment to create production capacity and create jobs. We want to develop the country and the economy in order to create jobs for people and increase their incomes and to stabilize our balance of trade. We want to disperse industry to the provinces in order to reduce the disparity in the standard of living. We can't simply prohibit investment in Bangkok. The best way is to increase investment in the provinces. Industrial investment will create permanent jobs. Thus, even though tourism brings in much foreign currency, there are still other investment activities, such as hotels and various services.

Previously, when foreigners thought about investment in this region, they thought about Singapore, Malaysia, and China. But now, Thailand's image has improved greatly. I am not saying that I alone am responsible for this. But our situation has improved. People think of Thailand as an attractive place to invest. What is the reason for this? I think that this stems in part from the things done by the BOI. As for foreign investment here, we don't want foreign investors to replace or compete with Thai investors. But when they invest here, they enable Thais to start industries. But things can't be done all at once. Things must proceed gradually until we can produce things ourselves. Thus, we have to implement measures that will enable our industries to grow.

[Question] What plans will be implemented to foster investment in the provinces and promote growth there?

[Answer] We have two objectives once exports have picked up. We are now focusing on the countryside. We are focusing on promoting investments by Thais or having Thais invest jointly. We want more Thais to have ownership. That is, we want Thais to control and manage the production activities and procure raw materials. But this can't be done all at once. If we try to do this by fiat, foreign investors will not be as interested in investing in Thailand. We must attract many investors and then

gradually link this to Thai industry. This must be done by developing the tools used to produce parts, such as engines, electrical equipment, and electronic equipment. We are placing much emphasis on this, particularly in the provinces.

[Question] Thai companies rarely receive support from the BOI. Why is that?

[Answer] That's not true. It's true that they don't request help. But it's not true that the BOI doesn't promote them. We have greatly reduced the amount of investment. In the past, the minimum registration capital was 5 million baht. Now, it is only 1 million baht. And many investors have built factories without requesting support. Those that need support are ones that need help in designing and developing tools and equipment. That is true of large industries. But the smaller industries don't use machines, because these industries can produce their own tools. There are other units to monitor the small industries. I think that people want the small industries to grow. I, too, want that. But we can't force them to come ask us for help. Take the plastics factories and plastic flower factories, for example. All we have done is to provide indirect help by looking for markets for them. But certain industries, by their very nature, cannot be small-scale industries. They must produce in order to compete. The paper and steel industries are good examples. They cannot be small industries. [passage omitted]

[Question] People still think that to request support from the BOI, it must be a large project.

[Answer] They place great hope in the BOI. But you have to look at the resources at our disposal. This is not a great obstacle. The problem facing the small industries is that they do not receive enough attention from the state. It's not that they haven't received support based on the investment promotion law. The main problems are to find markets and come up with designs. Take the garment companies in Chiang Mai, for example. Their products are of good quality. Is there any way for them to expand? If it were me, I would set quotas for the small factories.

But the BOI does not have the capabilities to do that. We were not established to do that. That would require changing the promotion system. That would require becoming involved with the other units concerned. These other units already feel like this, because we are becoming involved in their work. You have to look at the investment promotion law. Because the other systems are capable of promoting industry. They can't design a tax system. This is true of income distribution, too. The BOI has worked hard on waiving income and corporate taxes, which are incentives.

[Question] Why do domestic producers frequently oppose foreign investment projects?

[Answer] Because we have approved many projects. In 1988, we approved about 1,800 projects. Normally, we approve about 300-400 projects. Almost all of these are export projects. You can see how many projects we have to consider each day. Sometimes, they ask permission to produce items that are already being produced. The quality is not good even though they have been producing these items for 10 years. And they have never exported products. When others request permission to engage in production on a large scale to export products and sell domestically, the others charge that they are stealing their markets. But the quality of their products is inferior to the new producers. There is a conflict of interest.

As for coordinating things, we are ready to coordinate things. But for the most part, we simply point out what the problems are. This creates various factors. I think it would be better to stress cooperation. Take the tax problem of the Ministry of Finance, for example. We are close to those units that have encountered tax problems. We are closer to investors who have experienced such problems than any other unit. We have analyzed these problems and submitted proposals to the Ministry of Finance. If it agrees, steps are taken to make improvements. The investment promotion law has more than 50 articles. The prime minister, as the chairman, has the authority to issue orders if problems arise with other units.

But as far as carrying out things is concerned, people shouldn't think that we are a superpower with respect to coordinating things for the benefit of the country. We are now selecting good people for training. In the next 3-4 years, the BOI will have more professional personnel.

[Question] If the United States cuts our GSP benefits, will that affect foreign investment here?

[Answer] I tend to agree with what the prime minister said. That is, we can't depend on them for everything. It depends on our capabilities and on how efficient we are. We have grown a lot, and exports have increased greatly. We have to stand on our own feet. The GSP means a reduction in import tariffs, which makes it easier to compete with other exporters. But I think that we will still be able to compete effectively. That is what we must strive for. If they don't cut the benefits today, they may do so tomorrow. We have to improve ourselves and move forward. The important thing is efficiency in production and design. The future depends on exports. And the future of exports depends on efficiency in production. The sooner we achieve success, the sooner the GSP benefits will be cut. I don't think that we should worry about kindness from others. We have to stand on our own feet.

[Question] Will we experience the same problems as Taiwan and South Korea?

[Answer] Their GSP benefits were cut because they achieved good results. Even though their benefits were cut, they have moved forward. Besides that, they have made adjustments. They have moved certain production activities to Thailand. They have not relied solely on GSP benefits. There are several reasons for moving here. Labor there is expensive, and the value of their currency has increased.

[Question] Do you expect the economic growth rate to slow down next year, and what will investments be like?

[Answer] That is difficult to predict. But I think that investments will be large. Because of the 1,800 projects that we have approved, more than 300 are already under construction. And there are others who are planning to invest.

[Question] What about the operations plan for next year?

[Answer] We have projects that will be carried on in the provinces. These are agricultural and agro-industrial development projects. The budget is 23 million baht. This is a special budget. We are considering investments in production projects aimed at exports. We want to create jobs and generate income for the country. We must also compete with neighboring countries in attracting foreign investors. We have to find new sources. We have to attract investors in Europe and the United States in order to achieve a better balance. We can't rely only on South Korea, Taiwan, and Japan.

Securities Exchange Official on Regulations, State Firms

42070057a Bangkok MATICHON in Thai 3 Jan 89 p 6

[Interview with Mr Maruai Phadungsit, the director of the Securities Exchange of Thailand; date and place not specified]

[Excerpts] [Passage omitted] [Question] What can be done about those who sell short?

[Answer] If member companies learn that people are selling short, they must inform us the next day. The matter must be summarized for us within 1 week. People who sell short and intentionally fail to inform us will be punished severely. That is, besides being punished in accord with the regulations, they will be prosecuted on criminal charges in accord with the act. For ordinary people, the act will be revised so that they can be prosecuted on criminal charges. Originally, no punishments were specified. But this must be submitted to parliament for its approval.

[Question] Can you tell us who is selling short?

[Answer] No, I can't. According to the Securities Exchange Act, there is only one person, the minister of finance. And he can reveal the names only when it is appropriate to do so. In the past, that couldn't be done,

because the person would go to jail. The regulations on selling short, whether intentionally or not, will be revised. If there is a violation, the profits have to be turned over to the Securities Exchange. In the future, that will not be profitable. The profits will all be taken away. This has already passed the committee. It will probably be implemented at the beginning of next year.

[Question] Next year, will people be allowed to sell short legally?

[Answer] Actually, selling short is like a double-edged sword. The good aspect is that this helps stabilize the market. Because if prices fall, at some point, because people have sold short, prices will have to rise. People will have to buy the shares back. But at the same time, some people might be able to take advantage of others.

Short sales are like a forward market. They are like an option that can help protect an investor who invests in the market. But abroad, this is used on markets improperly. Thus, there are problems. We can't allow this until our market is stronger. We need more shareholders. As for the volume of sales, if sales equal 25 percent of our

GDP (today, it is about 17 percent).... It is expected that volume will reach 25 percent by 1990. The act must be revised so that there is forward trading. [passage omitted]

[Question] The minister of finance is considering selling shares of the good state enterprises, such as Thai Airways International, on the market. How feasible is that?

[Answer] It depends on the state enterprises. Actually, changes have already been made concerning accepting the assets of the state enterprises. It all depends on when they will be ready. A company that wants to join the market must put up cash. A state enterprise can put up assets. A private company must distribute all its shares. If it is a registered company, there must be at least 300 small shareholders. A state enterprise can join now and then distribute the shares within 2 years. It's up to them. If they wait to borrow money, the principal will be high. Borrowing from abroad is risky. But if they raise capital on the Securities Exchange, it is not a loan. The principal is cheap and there are no obligations. In years when the company fails to make a profit, it won't have to pay dividends. It will have greater flexibility. I hope that the state enterprises will see the benefit of joining the market.

POLITICAL

Leningrad, Ho Chi Minh City Sign Cooperation Accord

BK1603082589 Hanoi VNA in English
0728 GMT 16 Mar 89

[Text] Hanoi VNA March 16—A delegation of the party committee of Leningrad, the Soviet Union, led by the city's party secretary D.N. Filippov recently visited Ho Chi Minh City.

During its 8-day stay the delegation visited many economic establishments in the city.

A cooperation agreement between the two twinned cities was signed on this occasion under which the two sides will organize various political and cultural activities to celebrate the birth centenary anniversary of President Ho Chi Minh (1990). In 1989, Ho Chi Minh City will deliver two million pieces of garment to Leningrad. Besides, the two cities will form joint enterprises with joint investments.

Marxist-Leninist Teaching Undergoing Renovation

42090150 Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 18, 19 Jan 89

[Article by Professor Nguyen Van Son: "Renovation in Teaching and Studying Marxist-Leninist (Socialist) Political Economy"]

[18 Jan p 3]

[Text] We know that party schools have, are, and will continue to hold seminars and conferences to review the training, teaching, and study of Marxism-Leninism following a spirit of thought renovation. In thought renovation, we both resist conservatism and inaction, renovate the exterior but not the substance, and simultaneously resist shallow and superficial renovation or tendencies toward extremism, disorientation, and isolation from the proper target.

In a number of recent seminars and personal contacts, many ideas and proposals were voiced on improving the teaching and study of Marxism-Leninism.

These ideas originate from good intentions and the constructive concept of wishing to assist in the renovation task. There are also those who are impatient over the situation of not only disruption in the economy and other areas of social life but also a degradation in ideological perception and even psychological ethics. We also occasionally see the appearance of individual opinions directly attacking Marxism. They propose that the study of Marxism-Leninism be abandoned.

By reasoning and analysis, we see that these attackers have too little or a distorted understanding of Marxism and the sources remain unknown; failure to study, erroneous teaching by some teacher, or reading some anti-Marxist book. For hundreds of years, this group has resisted Marxism by every form but have still not attained their objective. The more they resist, the more perfect Marxism becomes.

As the opinions of many people assert: research and study in Marxism-Leninism in general and Marxist-Leninist political economy in particular is always essential. It is needed not only for economic cadres but also for those working in other fields. In a difficult economic situation, it becomes compelling. It must be acknowledged that mistakes in the economy and society during the past several years were caused by many things. One important cause was incomplete research in Marxism-Leninism and not enough experience in applying that research to the conditions of our nation.

Countless correct principles set forth by Marxism-Leninism are still correct now. If we implemented all of these things, it would be very good. Some think that Marxism-Leninism is outmoded and make a series of proposals such as: giving special attention to man, considering manpower reproduction as a factor of production, knowing how to distribute in accordance with labor, resisting average-ism distribution, knowing how to use economic level policies, knowing how to use principles of incentive through material benefits, knowing how to develop every motive force, especially that originating from individual benefits, etc. These actually are Marxist-Leninist viewpoints that they think are their own discoveries.

It must be decisively and undoubtedly asserted that Marxist-Leninist economic and political knowledge assists cadres in raising their leadership, work supervision and work summarization abilities, assists in building proper scientific thought, and contributes toward efforts to resist voluntarism, dogmatism, empiricism, and revisionism. Under conditions in which the country has many difficulties, if relatively well-equipped with the Marxist-Leninist system, we will not vacillate nor lose our direction of thought and action; we will analyze the reasons for the difficulties and will find effective methods for gradually overcoming those difficulties.

The results achieved through research on building the economic structure, the existence of many economic components, forms of state capitalism, use of the monetary commodity relationship and value laws, economic benefits, wages and bonuses, in-depth economic growth, etc., if achieved to any degree of quality at all, tested and used, will have some influence on the development of an effective national economy.

Marxism-Leninism is a system of perfect theory consisting of many structural sciences. Like any other science, Marxist-Leninist scientific departments are constantly

developing. The founders of Marxist-Leninist theories never shackled themselves nor have others been shackled in developing and further enriching Marxism-Leninism. In the renovation of theoretical thinking, we must have a firm grasp of the scientific and revolutionary nature of Marxism-Leninism. We must discern the methods of Marx and the specific conclusions made under certain specific historical conditions. Points that were previously correct but are now no longer so must be abandoned. Points that are correct but not yet specific must be made more specific. Those that were previously correct and today are still correct must be maintained and protected.

Development of Marxism-Leninism helps our research and teaching to be richer. If some teachers hesitate to teach this subject and a number of students are fed up with studying it, we must reexamine the teaching method and curriculum, study methods, and teacher's method of approaching new problems on the subject, not reexamine the existence of the subject itself.

The problem is not whether the teaching of Marxism-Leninism should be made widespread or not. The problem is what should be done to improve the renovation and organization of teaching and study.

This is a big job, requiring scientific reviews and conferences. We wish to present here some initial thoughts after exchanging views with a number of colleagues.

First of all, renovation of teaching is needed. The need for improving the quality of teaching curriculums and methods is critical. They must be rewritten and revised with improved subject matters and courses. Experience in teaching and study leadership and organization must be reviewed.

Subject themes must be renovated along a course of increasing the scientific, practical, modern and critical nature, with efforts to resist negative and erroneous expressions.

The modern nature expressed in the introduction by fraternal countries of the newest research achievements has been tested and is being applied and examined consistent with the renovation requirements of our country. Those research projects that our country has not yet applied because each nation has its own characteristics must be disseminated under a form of scientific information thought and study.

The modern nature of political economy demands introduction of the newest theoretical viewpoints of our party to the subject. These are the viewpoints of the Sixth National Party Congress of Delegates and the subsequent plenums of the Party Central Committee and the resolutions of the Political Bureau substantiating the viewpoints of the congress. The following issues are an example: the length of the transitional period to socialism; the existence of many economic components and

the role of each component and the relationship between those components; the theme of industrialization and the relationship between industrialization and the scientific and technical revolution in the world at the present time; new viewpoints in the production relations revolution; improvements in planning; commodity-cash relations and the use of value laws; socialist business and the elevation of effective socioeconomic capabilities and quality; economic relations with foreign countries; and a series of other problems. This is not yet mentioning establishment of a new program structure, and if the old program is used, from the first to the final lesson, every lesson will have issues that must be supplemented by new economic viewpoints drawn from recent party documents.

[19 Jan 89 p 3]

Teaching and research must be differentiated. Teaching must follow concluded viewpoints. For viewpoints still not concluded, authoritative agencies should allow teachers to objectively introduce different opinions for consultation. During research, through the practice of resolution development, everyone can propose ideas of which the congress and Central Committee plenums have not thought, to assist in preparing subsequent new decisions.

Introduction of new party viewpoints on the present economy with a theoretical angle to the socialist portion of political and economic study is the subject's renovation theme.

Another theme of renovation in teaching is to strengthen the practical nature of the subject. For a long time, many students have criticized that teaching is isolated from reality and study themes do not benefit work. Introduction of new party viewpoints to the subject in itself has increased the subject's practical nature because every task originates from the viewpoints of the Sixth Congress. Many erroneous actions have occurred because a full understanding of those viewpoints was lacking. Strengthening the subject's practical nature also demands a review of models appearing during the process of congressional resolution development. This review is not only to prove that the viewpoints of the party are correct but also has a further specific effect on and assists in perfecting the viewpoints above. Inclusion of lessons summarized from model reviews will be no small assistance to the supervision by cadres. Efforts to closely connect political economic study with life and with leadership and supervision work are a requirement of renovation at the present time.

Strengthening the subject's practical nature also demands a greater combative and critical nature in teaching. Many negatives occurrences are presently appearing among the cadres and people, contrary to the viewpoints of the party and separated from Marxism-Leninism. This situation creates a fairly large gap

between reality and theory. With this background, teaching of Marxism-Leninism cannot make changes in theory consistent with the realistic situation. On the contrary, it must confirm the true causes and demand that those with shortcomings and mistakes return to theory.

An improvement in teaching quality demands that teaching cadres participate in scientific research. This is a decisive factor. Without scientific research, lesson quality will gradually wither. Lessons will no longer have vitality, appeal, or usefulness.

For research to achieve high quality, a number of conditions are necessary: teaching cadres must have a minimum and stable standard of living, an effective and active scientific information organization, and the research itself must also have organization and policies necessary to create favorable conditions for it. In the creation of these conditions, the individual efforts of teachers maintain a definite position, but the work of associated agencies and the schools themselves play the decisive role.

Simply raising the quality of lesson content is not enough so improvement and renovation of teaching methods are also necessary. One poor method may void the effect of good content quality. Teaching by reading dictation, only reading the lessons in the textbook, teaching without expansion, tedious and endless teaching not aimed at resolving actual problems, etc. are all poor methods. Students feel like they are being maltreated when they listen to lessons taught with poor quality themes and methods. Within the teacher ranks and schools at the present time, there are good teachers with much experience, each with his own individual strength. If all the strong points of teachers were collected and summarized, we would have an "ideal teacher" of comprehensive experience for everyone to follow.

The struggle to become an outstanding teacher is difficult and time consuming. Those with no aptitude for teaching Marxism-Leninism, who have made great efforts and received much assistance from the collective but are still unable to meet the teaching requirements, should be deployed to other work more consistent with their specialties. Such a solution is both beneficial to the teaching profession and to these individuals themselves.

In study organization and supervision, one problem has been long concluded but has not yet been greatly implemented. It is development of the student's individual role. Under the same school roof with the same teacher and same book, students attain extremely different results. This situation is due to different study attitudes, methods and efforts, and also to inherent levels of knowledge and individual living conditions with no resemblance to each other, etc. Study supervision like teaching must rouse a spirit of creative initiative and develop ideological freedom and a searching interest in

individual research and in exchanges with fellow students. A school influence is necessary but the self-cultivation and training concept of the individual student is the decisive factor.

In study organization and supervision, all steps must be emphasized, including inspection and examination. Inspection and examination are both to evaluate the results of students and to inspect the teaching, while simultaneously creating a motive force for stimulating study efforts by the students. Without inspection or examination, this important motive force is lost.

At the present time, the problems are labor consuming, especially in building a new program structure, fixing new theoretical issues and rewriting textbooks. We do not think a textbook perfectly following the renovation spirit can be brought out before the Seventh National Party Congress of Delegates.

While waiting for these textbooks, teachers can join departments in collectively organizing and formulating lesson outlines with a renovation spirit; and during the teaching process, these outlines can be gradually perfected and improved.

Additional consultation is needed on the working methods and curricula of fraternal and friendly countries. At the same time, use all capabilities to fully exploit new party viewpoints on the economy. In the economy, extreme emphasis must be given to the universal and international nature of regulations while simultaneously not neglecting the historic and national nature of forms expressed by those regulations.

Thinking is in the process of renovation. A problem that is accepted today may be supplemented tomorrow.

In many cases, new ideas are gradually proposed for sometimes lengthy and even strong debate. An erroneous idea may contain rational aspects. A correct idea may have imperfections. It is necessary to respect and study the ideas of each other, develop a collective intelligence, and quickly establish lesson outlines with high quality contents.

In fixing the new theoretical themes of the department, we suggest the need for exchanges between schools and associated research institutes through seminars, bilateral contacts and other forms to inform each other of new information and of methods for using that information.

Renovation Needed in Teaching Marxism-Leninism

42090153 Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 12 Jan 89 pp 1, 3

[Article by Nghiem Minh: "Prompt Reforms Must Be Made To Improve the Quality of Marxist-Leninist Studies"]

[Text] It's possible to cite various objective reasons such as the complex social situation, the difficult material conditions, and the shortages. But the quality of the

teaching of a specific subject depends mainly on the abilities and sense of responsibility of the forces and subjects participating in the education process, that is, the teachers and students.

It is not possible to provide new and improved textbooks immediately. But does that mean that improving the teaching and courses is beyond the capabilities of the teachers? Supplementing one's knowledge by studying on one's own, reading various materials, and observing reality through social movement is one of the leading and essential tasks of every student.

We Cannot Back Away From What Is Necessary

What is the reason for the boredom in teaching and studying Marxist-Leninist theory? This question was answered in the article "How is Marxism-Leninism Being Taught at the Colleges," which appeared in the 23 December 1988 issue of SAIGON GIAI PHONG. However, that provided just a start in the process of explaining this. What are more important are the tasks that must be carried out immediately.

I would like to pose a number of questions. Among those who are loyal and who have a sense of responsibility toward the country and people, is there anyone who doesn't want to build a fair, democratic, and fraternal country? Is there anyone who doesn't want a society in which the material and spiritual needs of every member are satisfied and there is greater all-round expansion? On a path filled with countless hardships, we are still making every effort to reach this goal. And that is the target of a socialist society. Thus, how can we abandon Marxism-Leninism, the compass guiding us to socialism?

How have these questions been answered during debates by students at the municipal colleges? Many students and a number of instructors at various schools dislike Marxist-Leninist studies. But for the great majority, "dislike" means a dislike for the way that this subject is taught. They demand reform and better quality. They don't want to abandon this subject or abandon Marxism-Leninism.

During the debate at SAIGON GIAI PHONG on 15 December 1988, Dang Tam Chang, a student at the Teachers College, said, "I feel that studying Marxist-Leninist theory is essential, because it equips youths with a specific world view with which to investigate life and set guidelines for specialized activities." Nguyen Van Quoc, a student who is studying water conservancy at the Polytechnic College, said, "I think that it is essential for students to study Marxism-Leninism, because it provides them with a theoretical system." Ho Van Son, an instructor at the Municipal Political Educational Center, strongly asserted that Marxist-Leninist subjects (philosophy, economics, political science, and communism) are scientific subjects. These subjects study the laws of growth and development and the necessity of destruction or transformation to higher forms. These also have

operational significance, that is, they provide guidance in formulating strategic programs and policies and in implementing these policies. Eight of the nine students and all of the instructors at the debate said that our colleges must teach Marxist-Leninist theory.

At the debate held at the College of Economics on 16 December 1988, when Dao Cong Tien, the college president, asked the students why they were not taking courses in Marxist-Leninist theory, the student body president stood up and said: "We only want to improve instructional methods." Recently, at a meeting with youth union members, he posed the same question once again, and the members representing the students at the College of Economics gave the same response.

Thus, the question here is not about whether Marxist-Leninist subjects should be abolished or not but rather what should be done in order to overcome the weaknesses in teaching these subjects.

Teachers Bear the Main Responsibility

Returning to the question of why the above psychological phenomenon has arisen regarding Marxist-Leninist subjects, from what was said at the debates, it can be seen that there are many objective and subjective reasons.

Dang Tam Chanh, a student at the Teachers College, said that it is clear that the existing teaching materials have painted a picture that is very different from reality. Nguyen Van Quoc, who is studying water conservancy at the Polytechnic College, and Pham Thanh Tung, who is studying finance at the College of Economics, discussed making basic improvements in the teaching methods and revising the outdated subjects. Pham Quoc Binh, a student at the College of Economics, said that teaching Marxism-Leninism is not like teaching political science. Nguyen Son Thuy Hung, a student at the university, said that in giving examinations, the students must be given a chance to display independent thinking. Tran Trung Hau, a professor of economics at the university, who is a very experienced teacher, emphasized the necessity of promptly modernizing the Marxist-Leninist curriculum and tying these courses to the reality of Vietnamese society.

At other debates which I had a chance to attend and in chats with a number of students and instructors, many other specific reasons for the above weaknesses were mentioned. Altogether, there are five main reasons: 1. The very difficult and complex social situation is affecting both the material and spiritual situation of teachers and students. 2. The instructional program is not good (there are backward and unscientific elements and things are not tied to reality). 3. The standards of the teachers do not meet the requirements. 4. There is a lack of

democracy, and the students' and, within limits, the instructors' right to think freely and do research has not been manifested sufficiently. 5. The level of theory is still low.

In summary, to eliminate this "dislike," the five problems mentioned above must be solved.

However, our subjective view is that the sense of responsibility, standards, and abilities of the instructors are the decisive factors. If an instructor uses only the lecture method, the only thing the students can do is write down and memorize things. In the past, the power to attract and win over and train the students depended on the brilliance and teaching abilities of the teacher. Whether the subjects were good or bad, whether the outlook of the students was broadened or made narrower, and whether the students were simply stuffed with information or made more capable all depended on the teacher. Because the standards and abilities of a large number of those who teach Marxist-Leninist theory are weak, many students dislike this subject. Steps must be taken to give those who teach this subject additional training and enable these instructors to expand their knowledge and develop professionally (from supplying materials to allowing instructors to travel both here and abroad to perfect themselves professionally). It is also necessary to get rid of those who have suffered "burnout." What can be done immediately is to organize guest lectures. This can be done by inviting instructors and experts in the localities who enjoy the confidence of the students to give lectures. This is a good way to get students to enjoy this subject. It is also a good way to build a foundation for making proposals aimed at renewing this subject and restoring it to its position as a true scientific subject.

Cannot and Must Not Wait 5-10 Years

Teaching materials are one of the pressing problems in teaching and studying Marxist-Leninist theory. At least 90 percent of the students and teachers who expressed views at the debates at the colleges said that the textbooks now in use are outdated and that they contain much material that is unscientific. Much of the material is not in accord with or is contrary to reality. We need new textbooks. A number of specialists said that it will take at least 5 years to prepare new textbooks and have them adopted by the echelons responsible. We don't feel that it is necessary to wait that long. Some places have already been looking for a way to begin.

For the past several years, in offering courses in Marxist-Leninist theory, the university has required all the instructors to prepare each lesson based on the requirement of getting to the point, eliminating a number of sections, and supplementing theory with actual practice. For each subject, the Political Theory Center has been and is concentrating on revising the instructional programs to make them more accurate and scientific. A number of instructors at other schools are engaged in similar activities.

We feel that these are positive and appropriate activities. Furthermore, the instructors must engage in such activities regularly over a long period of time in order to improve the lessons and enable the lessons to flourish in the life of social reality. On the other hand, by actively participating in editing and revising the materials in a scientific manner, the instructors can reevaluate themselves and their students. This will contribute effectively and actively to producing a new set of textbooks, and it will enable the teachers to improve themselves.

At this point, a question arises. For several years now, new changes have been taking place on all fronts and in every sphere, and many changes have been made in both practice and theory. The party has promulgated many resolutions, and many high-ranking party leaders, scientists, and people in press circles have emphasized that our society is a commodity production society. With respect to the relationship between the production forces and the production relationship, expanding the production forces is decisive. But even so, there are still many instructors who insist on using the old and outdated teaching materials that are no longer in accord with reality. They continue to use the same old arguments in their lessons. In the present situation, have these instructors unknowingly become dogmatists?

If every instructor who teaches Marxist-Leninist theory concentrates on editing and revising specific lessons, especially those that they feel are outdated and impractical, in order to make them more complete and scientific, even though we still don't have a perfect and unified set of textbooks, we can still have good teaching materials.

In summary, although there are many reasons why people dislike teaching and studying Marxist-Leninist theory, we feel that there are two important reasons that can be overcome quickly at each school by each teacher. Those two are: the quality of the teachers and the quality of the lessons. The immediate solution is to quickly organize lectures given by excellent teachers and edit the teaching materials in an innovative and scientific manner. We can't sit around waiting.

ECONOMIC

French Firms Interested But Cautious on Investing in Vietnam 42090154

[Editorial Report] In an article on pages 1 and 6 of the 9 February 1989 Paris LE MONDE, special correspondent Eric Fottorino discusses the current ambivalence of French firms about investment in the SRV. Vietnam is trying to attract foreign businesses to Hanoi and Ho Chi Minh City to help overcome its financial problems, including a large foreign debt—it owes \$100 million to the IMF, \$2 billion to several Western nations, and \$6 billion to the USSR—and a 1,000-percent rate of inflation.

On the one hand, France appears eager to invest in various projects, Fottorino writes, even though it must compete with Japan, Hong Kong, Australia and South Korea, which are now leading in the race to trade with Vietnam. Trade between the two countries has grown in recent years. In 1987, SRV exports to France were valued at 110 million francs, compared with 20 million francs in 1980. In 1987 and 1988, French firms provided spare parts to the Ha Tien cement plant, began construction of a paper mill in Tan Mai, built slaughterhouses and laboratories, and produced port equipment.

Plans are now under way for the Pullman Co to renovate the Thong Nhat Hotel in Hanoi. Total, another French company, recently secured rights to prospect for oil in northern Vietnam under a 5-year, \$28 million contract. Here the French face particularly strong competition: Indian and Swedish firms are already prospecting near the Chinese border, while Petrofina, Shell, the Doumeng group (in association with a British company), and BP are preparing to begin prospecting elsewhere in Vietnam. And while CIT-Alcatel recently lost out to an Australian firm in bidding for a telecommunications project for Hanoi and Ho Chi Minh City, it obtained an agreement to build an earth station at Da Nang.

Despite these qualified successes, Fottorino writes, the overall mood of French investors is one of "great caution." Few French firms have enjoyed lasting success in Vietnam in recent years. The only one to have remained continuously since 1975 is Rhone-Poulenc. Moreover, because of "missed appointments and repeated blunders" over the past 20 years, relations between Paris and Hanoi remain strained. The writer blames France rather than Vietnam which, he believes, "hoped for much, but received little." For instance, the Vietnamese never received French newspapers that were promised in 1982, and in 1987 they received a shipment of streetcars that were delivered 3 years late and were defective.

Vietnam's First Oil Refinery Starts Production in HCM City

42090146 Paris DOAN KET in Vietnamese
No 408, Dec 88 p 11

[Article by Huynh Phu Dong: "Vietnam's First Oil Refinery"]

[Excerpts] On 13 December 1988, the magazine TUOI TRE printed this news item: "After a year of construction, in early December 1988, the oil refinery of small-scale production of 40,000 tons/year began to make four products—gasoline (crude), kerosene, diesel (DO), and fuel oil (FO) of high quality. This industrial assembly line, which was equipped by the overseas Vietnamese in France, has a capacity of 130 tons/day and, according to plans, will use crude oil to make products at these rates: 15 percent of gasoline (crude), 2 percent of kerosene, 30 percent of DO, and 50 percent of FO. This is one of the programs of cooperation between the Ho Chi Minh City

Grain Corporation and Saigon-Petro. The capital that has been invested in this oil refinery is 2.7 million dollars and 1.4 billion dong (Vietnamese currency). This is our country's first oil refinery having modern equipment with a semiautomatic control system and operating on a continuous basis."

In the extremely difficult socioeconomic situation in Vietnam today, this is a news item that surely makes Vietnamese, both in the country and abroad, feel encouraged for many reasons.

The first steps made toward knowing the reality of the gas-oil refining industry are the necessary ones for the development of a country's gas-oil industry. In the last 2 years, Vietnam has begun producing crude oil through a Vietnamese-Soviet joint enterprise (usually called Viet-sopetro for short). In 1988, it extracted from the continental shelf of the South about 700,000 tons of oil. So far, due to the lack of a refining industry, Vietnam has sold the crude oil to other countries (mostly to Japan), while its own annual need for gas-oil products amounts to as much as 2 million tons. In the long term, Vietnam plans to build a petrochemical refinery of large capacity, perhaps 3 million tons/year or more. But ordinarily, the construction of an oil refinery of such a size would take at least 5-7 years from the time a decision has been made. In the meantime, the construction of a small-scale refinery, on the one hand, has the significance of a starting point for a new industry; on the other hand, the refinery will help the industry to gain practical experience through actual production and, at the same time, to train a body of necessary cadres. [passage omitted]

A great source of encouragement for us overseas Vietnamese is the fact that in these results there has been the participation of Vietnamese living abroad, in France, West Germany, Belgium, as well as the United States. We must recall here that Socobel Corporation in Belgium originally proposed the construction of a small-scale oil refinery in our country. In France, Serepco Corporation received from Saigon-Petro the assignment of drawing plans for the refinery and providing it with machinery, equipment, and technical support.

I came to see H., a Serepco engineer, when he had just returned to France from Vietnam, in order to ask about his impressions after he had joined the project. He said, "To carry out this project, I must say, was a very tough job. So many technical problems had to be resolved, particularly in the last stage of assembling the equipment, checking, and putting it to run. The technical personnel in the country worked day and night with a great sense of responsibility and very good results. But, let me tell you, it was very hard. The reason was that due to Vietnam's current economic and technical environment, sometimes we needed a small part to replace a broken one and had to send a telegram to France to ask that the part be urgently sent by air to us. Otherwise the project had to stop. But when everything had been done, when crude oil was pumped in at one end and four types of products flowed

into the storage tanks at the other end, nothing could properly describe the joy and enthusiasm of all of those people present there. Later Mrs Ba Thi, director of the Grain Corporation and also chairman of the Board of Management of Saigon-Petro, came to see us at the refinery. I was both happy and moved as I shook her hand to greet her. For from the bottom of my heart, I thought that without the ways of thinking and working of a person like her, it would have been very hard to have this refinery."

Decision Liberalizes Commercial, Service Activities

42090143 Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 15 Jan 89 pp 1, 2

[Article by Minh Le: "A Decision Seldom Has Such a Vitality!"]

[Text] The business circles in the municipality understand that the Council of Ministers' Decision 193/HDBT, which took effect on 1 January 1989, is a real liberalization of commercial and service activities. For, in accordance with the spirit of this decision, all economic organizations and Vietnamese citizens being qualified as a juridical person and having aspirations and appropriate business conditions can get a permit to do business and to engage in service activities. As to the goods, except for only three groups of goods being prohibited—opium and opium-derived products; weapons, military equipment, and military supplies; objects coming from cultural and historical relics, decadent and reactionary cultural products, and a number of conditional-trade items—all other goods can be dealt in freely.

Decision 193/HDBT has put a fine seal on the process of materializing the party resolutions on renovation of the economic-management mechanism.

Decision 193/HDBT has provided a strong and immediate economic impetus for the social market. Business and trade in the municipality, first of all in the nonstate-operated economic sector, now take place in a more lively atmosphere. Series of stores involving all sorts of occupations have opened. Streets and commercial zones have become more beautiful in the brilliant colors of goods of all kinds. Seldom before did we have a decision that has been trusted and accepted by the people immediately after its promulgation with such an enthusiasm.

Decision 193/HDBT, in essence, is an untying and abolishment of the restrictions the violations of which used to be considered illegal, creates favorable conditions for all economic components to develop their capabilities and to compete with one another (in a healthy manner, of course), and enriches the social market. As to the state-operated commerce, Decision 193/HDBT is a great challenge; abolishes monopoly, the offspring of the bureaucratic and state-subsidized management mechanism, which the state has created in its favor, and sets a deadline, to achieve renovation in order

to survive and to develop or to be boycotted by consumers and society. In the municipal market prior to Decision 193/HDBT, the state-operated commerce continued to show many rather basic weaknesses, and now it has been weakened further and is quickly being pushed back if it does not correct itself in order to accommodate the new conditions. Because of the way it operated lately, the state-operated commerce has annoyed quite a few consumers. But in their heart and true feelings, no consumers would want to be ungrateful to it and would rather want to see it play its role properly and retain the role of controlling the social market.

The effects of Decision 193/HDBT are not limited to commerce and services but rather cover the entire society, from producers to consumers. What a group of consumers has been able to observe is the fact that goods are now more plentiful, with many varieties for them to select from and to compare prices.

Goods of all kinds are brought onto the market. The market has become a yardstick and a place of contest for producers in all economic sectors, from the state-operated to the individual sector, to show their talent and the level of their organizing production management. Products of good quality being sold at reasonable prices will be accepted by society, otherwise they will be boycotted. That will force producers to review the way they do business so as to get a place on the market for their products. Many of the municipality's industrial products have recently remained unsold because of poor quality and high prices. That situation was due to the fact that producers still failed to link their products with the market and that managers had separated production from consumption. Decision 193/HDBT provides a basis for us to believe that the situation of products remaining unsold will be overcome. The reason is that the competition among economic sectors and the sorting effects of the market will force producers and merchants to seek the most effective way to do their work, which will be beneficial for both themselves and society and will mean their being either accepted or rejected by society.

In a burst of action to start business and competition, but to do so within the realm of state law. Any state cannot afford to neglect its economic and administrative management role. This is, of course, management in a new spirit, without providing subsidies, working in the people's place, or binding their hands or restricting their action as in the past, but instead protecting the interests of the working people, consumers, producers, merchants, and the state. Let us encourage people to show a burst of action by starting production and business so as to make goods circulate freely, but we cannot let the situation in which people do not register their business, evade payment of taxes, and deal in smuggled and counterfeit goods take place as commonly as it does today.

Although Decision 193/HDBT is still less than a month old, its vitality is already obvious. However, to ask for

detailed and positive guidelines in terms of state management so as to achieve a high degree of effectiveness and to show the right direction is an urgent need.

SOCIAL

Vietnamese, U.S. Filmmakers Meet At Hawaiian Film Festival

42090144b Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 15 Jan 89 p 3

[Article by P.B.: "Honolulu International Film Festival—New Relations in the Movie Industry Between Vietnam and the U.S."]

[Text] Last December, in Honolulu (America), the annual International Film Festival was organized, with the participation of 80 films made by countries in the Asian and Pacific region and a number of other countries, including 10 Vietnamese and American films having to do with the Vietnam war. These films on the Vietnamese side: "Bao Gio Cho Den Thang Muoi" ("When the 10th Month Comes"), "Canh Dong Hoang" ("The Abandoned Field"), "Hai Anh Em" ("Brothers and Relations"), "Thi Xa Yen Tinh" ("A Quiet Little Town"), and "Dien Bien Phu" ("The Victory at Dien Bien Phu"); these films on the American side: "Coming Home," "The Garden of Stone," "Bet 21," "Charlie Mopic," and "Platoon"). At the same time, at the film festival, the organizers also held a symposium on this topic, "The Vietnam war on the Vietnamese and American screens." Taking part in the symposium were, on the Vietnamese side, Vice Minister of Culture Professor Dinh Quang and Directors Dang Nhat Minh and Bui Dinh Hac, and on the American side, Mr Roger Ebert, the top movie critic, and a number of filmmakers. In eight 2-hour sessions, in which the participants took turns presiding over the discussions, the exchange of views took place in an extremely frank, open, friendly, and impartial manner. Because it was the first direct dialogue with the Vietnamese artists, in addition to the artistic discussions, the American participants dealt with very many other issues having nothing to do with culture and arts, such as the economic and political situation, reconstruction, normalization of relations, remains of MIA's, withdrawal of forces from Cambodia, and so on.

About Vietnamese films, the American generally praised Vietnam for having made many films of good content and high artistic quality, in spite of the fact that it lacked a sound material base and had only poor technical means. Vietnamese films were in many aspects far superior to American films in terms of expressing themselves about the war. If something unsatisfactory existed, that was the portraying of Americans in Vietnamese films being far from typical. We concurred with that observation. The reason was that our own actors, or the Eastern European actors who helped us, had had very few opportunities to get in touch with American soldiers in the past. However, Vietnamese filmmakers never

described American soldiers as animals, as some American films portrayed the Vietnamese as such. The American opinion concurred with our self-observation, which it considered a very respectable human attitude on the part of Vietnamese arts.

About American films, we sincerely criticized the ones that had evil motivation, such as the "Rambo" films, "The Green Berets," "The Deer Hunter," "The Hanoi Hilton," and so on, and at the same time praised the ones that showed the good intention of condemning the aggressive war. Many American journalists and filmmakers recognized that the ideas brought forth by the Vietnamese group were objective ones and considered them very interesting comparisons and suggestions for the American movie industry.

The symposium also mentioned the democratic openness in the artistic activities in Vietnam today. The American opinion considered it a very good exercise of openness. But the American side also raised many questions about censorship, although Vice Minister Dinh Quang had made rather extensive explanations about it; as a result, he was forced once again to make an open comparison in a news conference. The American filmmakers, who were all from private firms, were very "sensitive" in regard to the expression, "state censorship" and normally believed they had absolute freedom. That was a wrong belief because they would actually depend on the taste of film executives and moviegoers, who have become corrupt as they have gone along with the commercial art in the abundant type of violence and sex films. For instance, the script of "Platoon" had remained on the shelf for decades before a producer from another country was willing to finance its making. Many American directors complained that they wanted to make serious films but would not be allowed to do so. Would we say they had real freedom? Moreover, we should not say that whenever the state offers its opinion, it will mean a loss of freedom, and that the influence exerted by film company executives and a segment of moviegoers means freedom still prevails. That is only a formal concept of freedom. Here it also involves fairness. Why do artists who want to do things their way refuse to let those who supply them with hundreds of millions of dong to make a film know and monitor the spiritual and artistic results of their work? Furthermore, in Vietnam there are no private film companies, and the state here is the art councils of enterprises formed by artists.

Roger Ebert craftily stated that Vietnam has destroyed the American illusion, a painful but rather necessary truth.

Through that open and sincere symposium, both the Vietnamese and American sides felt that they have understood each other better and have jointly opened a new relationship between the two countries' film industries. That was the reason why some American artists volunteered to act in a Vietnamese film without getting

salaries and some American producers promised to provide Vietnam with technical know how for a Vietnamese film, which would be selected by us; many other American filmmakers exchanged with us plans for cooperation between the two countries. Specifically, we and the American film distributors here would jointly organize, beginning in April, the showing of a series of Vietnamese films on a tour at 20-22 large cities in the United States, with 4 Vietnamese filmmakers (in 2 groups) accompanying the shows in order to introduce the films and to get in touch with the audiences.

HCM City Moves Toward Making Films With Other Countries

42090144a Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 15 Jan 89 p 1

[Article by X.Th.: "Municipality Expands Film-Making Cooperation With Other Countries"]

[Text] The Union of Film and Video Tape Enterprises in the municipality has agreed to make initial preparations for jointly making films with Lenfilm (in the brotherhood city of Leningrad), Gorki Studios (Soviet Union), and Barrandov Studios (Czechoslovakia). Globe Corporation (Thailand) is cooperating with the union to produce a feature film, "Tinh Xa" (Love From Faraway). Many firms, studios, and corporations in other countries have provided the union with initial foreign-currency funds to help it to upgrade its material base and to buy modern equipment for use in film production and distribution. America's Fujifilm alone has agreed to invest more than 20 million dollars in building jointly with the union film studios in 14 hectares of land; the joint film enterprise of Hong Kong will upgrade a number of movie houses to satisfy modern standards; Japan will train free of charge a number of skilled workers for the union and build a factory to make music tape, video tapes, and so on.

At the meeting on the morning of 14 January 1989 to review the work done in 1988, the union reported that in the municipality in 1988 there were 56.5 million movie-goer-times and a box office income of 7.67 billion dong.

Laser Institute Produces First Medical Lasers

42090158 Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 28 Jan 89 p 1

[Text] On the morning of 25 January the Laser Institute (of the National Industrial Research Institute) introduced a number of helium-neon lasers of various types and output power intended specifically for use in medicine. These are the first medical lasers produced in Vietnam with the cooperation of several foreign companies.

General secretary of the project Vu Cong Lap, Ph.D., who had proposed to start equipping hospitals throughout the country with lasers, announced that in nearly 2 years of use at Military Hospital 108 in Hanoi, the helium-neon laser had proven effective in more than 1,500 cases involving the esophagus, stomach, bones,

ear, nose, and throat, in obstetrics, and so on. In the nearly 2 months since its introduction at the An Binh Hospital, the helium-neon laser also produced encouraging results. All medical centers were quickly starting to introduce this new equipment because the average cost per treatment is only about \$1 and the equipment itself is cheap (about \$1,000, depending upon the specific model).

Resolution of Land Disputes in Rural Hanoi

42090138 Hanoi HANOI MOI in Vietnamese
22 Dec 88 pp 1, 3

[Article by Le Hang: "How To Properly Resolve Land Disputes?"]

[Text] In the last few months, in the outskirts of Hanoi, land disputes have become a hot issue. In many hamlets, villages, and districts these disputes were taking place in a bitter, complicated, and serious manner, and on a large scale. Disputes about alluvium-rich land between the municipality and some friendly provinces, between districts and districts, and between villages and villages. Land disputes among people of the same hamlets also. At the time of separation within some cooperatives, land disputes leading to destruction of 10 percent of crops. Land disputes between cooperatives on the one hand and organs and enterprises on the other, and disputes among the people. These land disputes, because of a failure to reach timely solutions, have often led to serious fights, losses of lives and properties, interruption of production, and confusion among the people. This also is one of the urgent matters that the municipality's CPV Committee and People's Committee have been concentrating leadership efforts upon and trying to resolve.

The essential thing is to go to the root of the matter and to resolve it with feeling and reason.

In order to quickly make the masses feel reassured and to alleviate the land disputes that have become quite complicated since September 1988, the Municipal CPV Committee and People's Committee have adopted a plan calling for implementation of the directive of the Political Bureau and Secretariat on the land issue and positively turned a few provisions in the land law into land policies, but even then they have been unable to prevent regrettable things from happening because of the following facts: In the localities, implementation of the directive is slow; in many localities, party members and the masses did not fully understand the contents of the directive; the leadership failed to be profound and clear-cut while remaining undecided; and the lack of determination in resolving all cases and incidents made the situation even worse, with small matters becoming more serious ones. In some localities, the fact that cadres had been committing violations and negative acts made the masses feel confused and created more difficulties and

complicated situations. (Notice on Directive 52 of the Standing Committee of the Municipal CPV Committee outlining the guidelines for resolving land issues.) Directive 52 also recommends a correct evaluation of the reasons behind the land disputes, which become more and more bitter everyday, and asserts the importance of the local administration in resolving such disputes.

On 30 November 1988, the Standing Committee of the Municipal CPV Committee emphasized the following: *In order to resolve in a timely manner the current land disputes, all party committee echelons and sectors must recognize the fact that the land situation is changing and becoming a complicated issue and a serious one in some localities, and must not deal with it in a subjective manner or as trivial matter. They must be very active instead, anticipate what may happen, and resolutely and positively resolve all disputes from the basic level up and without letting things evolve into big problems before resolving them.* On the basis of the above-mentioned observations, the Standing Committee of the Municipal CPV Committee decided to set up a guidance committee in charge of resolving the municipality's land problems. The Municipal People's Committee mobilized a number of cadres from various sectors and put them in specialized teams to carry out an in-depth investigation of the situation, to find the exact reasons behind it, to recommend the appropriate measures and policies to deal with it, and to check the outcome of their work. After having implemented the above-mentioned directive for nearly a month, the teams went to almost all hot spots in the outskirts of Hanoi, listened to farmers, and resolved any problems they could. According to their initial observations, in some localities the land disputes have temporarily subsided, with the masses feeling more reassured, but minor problems in other localities would still need looking at the root of the matter in order to resolve them; the fact that new land disputes continued to occur required that the municipality immediately take firmer and stricter measures in order not to let serious and regrettable incidents happen; and two of five more serious disputes that recently occurred in the outskirts of the municipality, which the latter had to issue leadership guidelines for resolving them, had to do with the boundaries of alluvium-rich land and the land disputes among hamlets when they were separated from the cooperatives. In Hanoi, since 1986 there have been more than 10 cases of dispute involving riverside land between our municipality and friendly provinces (for instance, Vinh Phu and Ha Son Binh) alongside the basins of Red, Da, and Day Rivers. Inside the municipality and within the districts, there also were nearly 10 cases of dispute involving the alluvium-rich land on the banks of Red and Day Rivers. These disputes had been smoldering for a long time. Some cases have been resolved in a temporarily satisfactory manner; others have recently broken out and led to fights resulting in losses of lives and properties. To fully resolve these disputes would be difficult because the riverside land that becomes richer

due to alluvial deposits is a part of nature and the water flow, hence is subjected to changes each year, and to draw boundaries is a very difficult job.

To resolve the disputes with feeling and reason is, in reality, the only way to bring about any results. The resolving of the disputes between Ngoc Thuy Hamlet (Gia Lam District) and Tu Lien Hamlet (Tu Liem District); between Do Le and Yen Nghia Hamlets (Hoai Duc District) and Phu Lam and Thanh Oai Hamlets and Phu Lam Hamlet, Thanh Oai District (Ha Son Binh Province); or between the villages of Van Ha and Xuan Phuc (Phuc Tho District) and Trung Ha and Lien Chau-Hong Chau Villages (Vinh Phu Province) was an example.

The Ngoc Thuy (Gia Lam District) and Tu Lien (Tu Liem District) Cooperatives for the last few years were jointly working a piece of alluvium-rich land on the bank of the Red River, but in 1987 a dispute broke out between the two hamlets because of a disagreement regarding the unclear delineation of boundaries and led to lawsuits between both sides. In November 1988, the Land Management Service (LMS) officials met with the hamlets to discuss the matter in the spirit of negotiating and respecting the historical use of land there and on the basis of the current official maps. In order to arrive at a common agreement, the LMS cadres met separately with both sides to analyze and discuss the matter and to persuade them, to arouse their goodwill and friendly feelings, and afterwards to organize a common meeting in which minutes were made and the planting of boundary posts was decided. For the time being, the land dispute here has come to an end. The case between Do Lo Cooperative (Hoai Duc District) and Phu Lang Cooperative (Ha Son Binh Province) was also resolved in a similar manner. Because the dispute involved a municipality and a province, the Hanoi and Ha Son Binh LMS officials met with one another first, then went to the district and village concerned to prepare the public opinion, and looked for the current maps so as to proceed with the meeting where the dispute was resolved. In both localities the land dispute had been existing for 5-6 years and had sometimes led to a lot of tension and even a fight. But the dispute has been resolved of late.

In the effort to resolve the alluvium-rich land disputes, in spite of many cases having been resolved, there still remain many others that are pending and have caused adverse consequences. They need to be resolved as soon as possible. One case involves the dispute over alluvium-rich land between two villages, Lien Mac (Tu Liem District) and Vong La (Dong Anh District), which led to a bloody fight on 21 November, with losses of both lives and properties. This case started in 1987 and has been smoldering since then, but the fact that it was never totally resolved has only made it worse. After the fight had taken place, the administrations of both districts and the law officers of the municipality went to the locality to contain its consequences and to maintain order and

security; the agriculture offices of the two districts and the Agriculture Service also sent their own people there to discuss the measures to be taken to compensate for the crop losses and to step up production. But so far more than 100 mau of fertile alluvium-rich land (where the dispute took place) have been left uncultivated. The crops in many places continued to be destroyed. This situation requires the LMS to immediately send its people there to resolve it.

And to respond to farmers' wishes.

At any time and in any place, farmers have a major wish. It is to have the right to have land to till and to live on their ancestral land. That is why after the CPV Central Committee issued Resolution 10, the question of separating from the cooperatives and demanding one's old land after getting separated from one's cooperative has been raised. As a response to the urgent wishes of farmers and in conformity with the new contracting mechanism, ever since Resolution 10 was issued, the municipality has allowed 38 agricultural cooperatives of village size to be divided into 102 small cooperatives. Most of these smaller cooperatives, once being separated, have succeeded in stabilizing their land for production. On the other hand, the fact that some cooperatives demanded the return of old land has caused a lot of tension; 15 other cooperatives of larger size are now applying for being divided into smaller ones. In some other localities, the division of land led to a 10 percent loss, which has caused disunity among farmers.

What was the experience in resolving this problem? In the land disputes arising from demanding to be separated from cooperatives and claiming the old land, the best way to resolve the problem was to correctly respond to the legitimate wishes of the farmers concerned. When they try to resolve a dispute, the leading authorities must truly have a sense of justice, avoid being subjective and localistic, refuse to impose their own judgment, and base their solution on both feeling and reason. Two of the three toughest cases of demanding land after separation from the cooperatives were resolved on the basis of that principle. They were the cases of Hai Boi (Dong Anh District) and Tien Nong (Dan Phuong District) Cooperatives. These cooperatives had been operating on an all-village scale, with all land being put together and the old boundaries being obliterated. The hamlets, however, later signed petitions to request separation from the cooperatives and at the same time to demand the return of their old land. For more than a year these wishes had remained unfulfilled; as a result, the disagreements among the hamlets generated tension and a loss of unity, with production being seriously affected. After a study of the situation had been made, the Cooperatives Office (subordinate to the Agriculture Service) and the work teams recommended that two large cooperatives, Hai Boi and Lien Hong, be divided into smaller cooperatives and at the same time the land that had been owned by

the hamlets be returned to them. So far in these two villages, the situation has returned to normal and the people now feel encouraged and do productive work in an enthusiastic manner.

In a case similar to those of Hai Boi and Lien Hong, Hoang Kim (Me Linh District) Cooperative had to face a demand for separation from it and for return of ancestral land. Here the main internal disagreements were between Tay Xa and Hoang Kim Hamlets. The people of Tay Xa, a small hamlet of Hoang Kim Village, had been living on the alluvium-rich land prior to their being collectivized. In August 1988, during the division of 10 percent of land, members of two Tay Xa Hamlet production units signed a petition asking the district to allow their separation from the cooperative for these reasons: The management board of the (large) cooperative behaved in an unjust and localistic manner as it divided the land and thus inflicted losses on the cooperative members in Tay Xa. In the petition, in addition to the demand for separation from the cooperative, Tay Xa demanded the return of its old land (mostly alluvium-rich land) so that its people could earn a living; however, Hoang Kim Cooperative (the large cooperative) returned to Tay Xa only the inland portion of its land (much less than that of Hoang Kim Hamlet) and the older portion of the alluvium-rich land involved, while it divided evenly among all residents of the village the newly-formed portion of the alluvium-rich land, which happens to be within the territorial boundaries of Tay Xa Hamlet. Determined to protect themselves from losses, the people of Tay Xa went to the field to firmly hold on to their land, but a number of people from Hoang Kim came and beat them. Since the day the fight took place (2 October 1988) production in Tay Xa has been completely paralyzed: More than 100 mau of alluvium-rich land were left uncultivated right during the crop-growing season. The crops grown in the areas separating the two hamlets were destroyed. And so, with a solution that was far from just and rational, nor based on both feeling and reason, a number of cooperative management cadres and the local administration and party committee caused many unnecessary serious adverse consequences. In the face of that situation, since the end of November, the municipality has been sending cadres from the LMS and Agriculture Service to the locality to seek a coordinated solution. After having sought a full understanding of the situation, listened to the people's opinion, and made an on-the-spot observation, the work teams have recommended that Me Linh District return the newly-formed portion of the alluvium-rich land to Tay Xa Cooperative in order to compensate for the little inland portion of land that was given to it. This would be a way to resolve the dispute in conformity with both feeling and reason, but so far it has not been carried out because the local cadres refused to do so. We wonder whether Me Linh District and the Municipal People's Committee should have given their own opinion to the cadres of the administration and party committee of Hoang Kim Village so as to speed up the fulfillment of the above-mentioned solution.

It is necessary to take more positive measures in order to restore order to the management and use of land.

The effort to resolve the land disputes in our municipality has brought about definite results, in spite of much confusion resulting from it. As an immediate result, it has smoothed away contradictions among the people so as to make them feel reassured while doing productive work. However, considering the long-term need, we must take more positive and total measures in order to gradually restore order to the management and use of land in the rural districts. According to an LMS report, the natural area of our municipality is 214,546 hectares, with the agricultural land accounting for 108,938 hectares. In the last 10 years, because of the fact that the need for capital construction was increasing and the allocation and use of land were far from strict, the area of agricultural land has decreased by 7,708 hectares (an average decrease of 1,100 hectares per year), and there were 19,851 violations involving land, with the majority of these cases having to do with selling, contesting, and seizing land. Land management by cadres at all levels has been neglected. Official documents, files, and cadastral registers have been lost and show a lack of similarities. In localities, cadres have been acting according to their own convenience in terms of allocating land. Negative cases involving the allocation and use of land have not been discovered in time, with land management cadres at all levels, mostly at the village level, being incompetent and in some cases clearly incapable of managing the land assigned to them. Those are the weaknesses in the management and use of land. In order to overcome this situation, in addition to the positive measures we have just mentioned, the LMS must improve the ranks of specialized cadres and correct all deficiencies in terms of maps, registers, and documents having to do with land. It is absolutely necessary to improve the land management machinery at the basic level so as to discover in time any negative phenomena having to do with land, to report them to the administration to permit its timely intervention, and not to allow any serious cases to take place. On the part of the municipality, it must promptly and justly deal with the leading cadres who have committed violations and negative acts involving land so as to set good examples for people to follow and to encourage proper observation of the land law. From now until the end of December, in addition to concentrating on totally resolving the land disputes, the LMS is to continue drafting the land distribution plans; completing all the files and maps of individual villages, which are to be printed over 10,000 copies for distribution to the cooperatives; completing the residential land maps for the villages based on the census plan; and assisting Hoai Duc District in making its administrative-coordinates map, as well as other districts that can afford it in making the same map for themselves.

Vietnam's Catholics Learn Survival
42000100 Sydney THE SYDNEY MORNING
HERALD in English 18 Feb 89 pp 32, 33

[Article by David Jenkins]

[Text] Visitors who call on the Roman Catholic Archbishop of Ho Chi Minh City are shown into a room

which has a large crucifix on one wall and a benign-looking portrait of Ho Chi Minh facing it from the opposite wall. The crucifix seems a few millimeters higher than the photo of Uncle Ho.

The archbishop, Paul Nguyen Van Binh, 78, is a large and courtly man, avuncular in manner and adept at calibrating the relative weight to be assigned to the interests of the Roman Catholic Church on the one hand and those of the Vietnamese communist State on the other.

He is, in short, a survivor, just like his superior, Joseph-Marie Trinh Van Can, the cautious Cardinal of Hanoi.

The Roman Catholics of Vietnam, a troubled and sometimes troublesome minority, account for barely 6 per cent of their nation's 65 million people. But they have a history dating back 360 years and a core of inner certitude to sustain them in times of adversity. In the past 40 years, there has been much adversity.

Archbishop Binh was appointed to his present position in 1960, during the rule of the staunchly anti-communist President, Ngo Dinh Diem, who was a devout Catholic. The archbishop has been obliged to make a number of adjustments in the 14 years since the communists came to power in Saigon.

But if he has adopted a low profile and sought to avoid any direct confrontation with the Government, he has taken great care never to abandon basic principles.

"Tell them in Rome that I will never betray the faith, the Church and the Pope," he told a departing missionary at the time of the communist takeover in 1975, "However, I will be pliable where it is possible and collaborate with the Government as long as it asks nothing of me which is contrary to my faith."

With those words, the archbishop was effectively giving notice that Church leaders in the South would fall into line with the "render-unto-Caesar" policy long adopted by their religious brothers in the North.

But the implementation of the policy was never easy.

There are deep reservoirs of suspicion between Church and State in Vietnam and the incoming communist authorities adopted policies that not only greatly curbed traditional Church activities but also led at times to the persecution of priests and parishioners.

Church-run schools, hospitals and orphanages were taken over by the Government and all seminaries were closed. Priests were told to confine themselves to theological and liturgical activities and abjure all social work. Scores of Catholic "puppet chaplains", who had been attached to the defeated Saigon Army, were arrested and packed off to re-education camps.

In Ho Chi Minh City and elsewhere, some Catholics were arrested for alleged involvement in anti-State activities. In Hue in 1982 the late Archbishop Philippe Nguyen Kim Dien was called in by the police every day for 100 days to answer questions, usually for one or two hours. Eventually, he was obliged to sign a confession that he had engaged in negative actions.

"Here in the South," said Archbishop Binh with delicate understatement, "relations were a bit difficult for the first two or three years after 1975."

Despite those hardships, the Church in Vietnam is alive and well. Churches are open and invariably packed. The services proceed with a full range of liturgical and ceremonial embellishments. Church attendance, many agree, provides the only moment of joy for many people whose lives are otherwise marked by great hardship and privation.

Even during the darker years, it was possible to baptize a child, have it learn the faith and be prepared for confirmation, take the sacraments and attend Mass.

Now, in line with a general loosening up on the part of the Communist Party, there has been a noticeable thaw in Church-State relations.

"Relations between Church and State are improving," Cardinal Can told a recent visitor to his house, behind the drab, black cathedral in Hanoi. As evidence of this improvement, the cardinal points to several recent developments: he has been given permission to consecrate two new bishops, he has been allowed to reopen four more seminaries and he has been able to ordain more priests than at any time since 1975.

What is more, all of the so-called "puppet chaplains"—who numbered more than 100—have been released. "At present," says Archbishop Binh, "there are only about 15 priests in jail in Vietnam, all for ordinary crimes such as illegally seeking to go abroad or for taking part in suspected reactionary activity."

Some other signs are just as encouraging. According to priests in Ho Chi Minh City, discrimination against Catholics in education and employment was ended two or three years ago.

A foreigner returning to Vietnam after an absence of four years is immediately struck by the changed atmosphere. In late 1984, it was difficult to meet members of the clergy, particularly in the North. Meetings were always furtive, with one eye kept open for Government informers.

Today, amid a new era of glasnost, the Government is surprisingly open about Church-State relations, its officials helpful in arranging appointments. During 25 days in Vietnam, it was possible to meet more than half a dozen archbishops, bishops, priests and seminarians, in northern, central and southern Vietnam.

In the rural areas of the North, where social controls are generally stricter, local Communist Party cadres are still not fully reconciled to the new-found openness.

In places like Phat Diem and Vinh, officials insisted on sitting in interviews. On occasion, they intercepted questions directed at a cleric to give their own response. At other times they discussed the answer a priest or bishop might give. This behavior, although irritating, was accepted with good-natured resignation by members of the Church.

In the South, Government officials set up interviews with the archbishop and priests but showed no interest in attending, obviously confident they could rely on the good sense of the cleric in question.

The policy of Cardinal Can is to have the Church survive, by being above repression. The Vatican, sources in Vietnam say, has learned the lessons of China, where a "patriotic" Catholic Church has been established. The "patriotic" Chinese Church appoints its own bishops and controls the loyalties of 3 million "patriotic" Chinese Catholics, who have renounced all links with the Vatican, leaving 1 million Vatican loyalists open to continuing persecution.

The policy in Vietnam is to let the Vietnamese Church leaders judge the mood of their political masters. Church and State were never really on a collision course, sources in Vietnam point out; rather, there was a war of attrition.

For many years Hanoi acted as if it felt the Church would simply wither and die if it succeeded in choking off the number of new priests. That policy has taken its toll, particularly in the North. But there now seems to have been at least a partial rethink on this front, just as there has in so many other areas of contemporary Vietnamese life.

That is not to say that all is sweetness and light. There are still any number of problems facing the Church. The Government still interferes in the selection of seminarians. It still interferes in the ordination of priests. Priests who have been released from jail are not permitted to resume Church work. And the Church has difficulty obtaining religious books.

"This is not Poland," said a priest in the South. "Poland has more freedom. The Church has its own university; it has its own printing press. We have no press; we have no paper."

A delegation of three American bishops who visited Vietnam last month said they had found the Catholic Church in Vietnam "alive and vigorous". The Government, they said, had significantly reduced, though not eliminated, repressive policies towards religion.

As in almost every other aspect of Vietnamese life, the vagaries of history have ensured that there are important distinctions between North and South.

In the North, where the communists have been in power for almost 35 years and where there are barely 1 million Catholics, the Church is extremely conservative, both in its internal organization and practices and in its relationship with the State. Inside the Churches, the men gather on one side and the women on the other, a legacy of the days before the Second Vatican Council.

In the South, where Catholics are more numerous, the atmosphere is more open. "The impact of Vatican II has been tremendous," said Archbishop Binh. "Because Vatican II, through this Pope, makes the Catholic community blend more and more with the international community.

Binh, a southerner who spent six years at the Vatican during the 30s, said that the biggest improvement in recent years had been in the North. "After 1975, when the country was reunified, we knew that the Catholics were afraid of the Government," he said. All the same, there had been more openness in southern Vietnam "between the Catholics and the revolutionaries."

In the North, where relations between Church and State had been difficult between 1945-54, there had been continuing tension. "In 1975, the Catholics in the North were still afraid of the communists."

This view was confirmed by a senior southern priest. "In some rural areas of the North," he said, "the Church has been subject to continuing suspicion. Many Catholics came south after 1975 because they had difficulties living in the countryside there. Many, many came, from Vinh, Nam Dinh and Thai Binh."

It is generally thought that there are between 4 million and 4.5 million Catholics in Vietnam although, in recent meetings with Western diplomats, Cardinal Can has put the figure at 6 million. That means Catholics account for only a small percentage of the population, which underscores the need for continuing circumspection. This is not Poland, where almost the entire population is Catholic.

There are 40 bishops, 2,000 priests and 6,000 nuns to minister to the needs of Vietnam's Catholic faithful. However, the vicissitudes of recent history have also created imbalances in the priest-parishioner ratio in different regions.

In the North, there is only one priest for every 60,000 parishioners, a dramatic change from the situation that existed in 1954, when there was one priest for every 1,700 parishioners. This, Church officials note, imposes an intolerable burden on the clergy, whose main function is to hold Masses and hear confessions. The fact that many priests are now elderly makes the situation even more difficult.

In the South there is, on average, one priest for every 6,000 members of the Church. This is better, but still not adequate. In the archdiocese of Ho Chi Minh City the ratio is closer to one for 1,000-to-1,250, there being 400 to 500 priests to minister to the needs of 500,000 Catholics. "You can't say we have enough priests," said Archbishop Binh, "but nor can you say we have a great shortage because this is nothing compared with the North."

Before 1954, most of Vietnam's Catholics were in the North. But the great exodus that followed the communist takeover in 1954 led to a reversal of that situation. The center of Catholicism moved South. There were further upheavals after the fall of Saigon in 1975. Many southern Catholics fled South Vietnam then and others left as boat people when conditions deteriorated in the late 70s and early 80s.

In the diocese of Hue, for example, there were 70,000 Catholics in 1975 and more than 100 priests. Today there are only 30,000 Catholics and 50 priests. Thirty priests fled the country; 20 died.

BIOGRAPHIC

Biographic Information on Vietnamese Personalities 42090149

[Editorial Report] The following information on Vietnamese personalities has been extracted from Vietnamese-language sources published in Hanoi, unless otherwise indicated. Asterisk indicates that this is the first known press reference to this individual functioning in this capacity.

Vu Xuan Ang [VUX XUAAN ANG]

*SRV Ambassador to India; on 24 Jan 89 he was present at Secretary General Nguyen Van Linh's reception in New Delhi. (Ho Chi Minh City SAIGON GIAI PHONG 26 Jan 89 pp 1, 2)

Phan Anh [PHAN ANH], Lawyer

*Vice Chairman of the Vietnam Fatherland Front; on 4 Nov 88 he met with religious representatives attending the Front Congress. (NGUOI CONG GIAO VIETNAM 27 Nov 88 p 4)

Nguyen Ngoc An [NGUYEENX NGOCJ AANR]

*Vice Chairman of the People's Committee, Ho Chi Minh City; he was elected to this position at a recent meeting of the City's People's Committee. (Ho Chi Minh City SAIGON GIAI PHONG 29 Jan 89 pp 1, 3)

Nguyen Ngoc An [NGUYEENX NGOCJ AANR]

Member of the CPV Standing Committee, Ho Chi Minh City; on 3 Nov 88 he welcomed a representative of the Japanese Communist Party visiting Ho Chi Minh City. (Ho Chi Minh City SAIGON GIAI PHONG 5 Nov 88 p 1)

Nguyen Ba [NGUYEENX BAS]

*Secretary of the CPV Committee, Nghe Tinh Province; recently he welcomed Council of Ministers' Vice Chairman Dong Sy Nguyen when he visited Nghe Tinh. (NHAN DAN 10 Dec 88 p 1)

Nguyen Xuan Ba [NGUYEENX XUAAN BAS], Colonel

Commander of the H.05 Gp; his name and position were mentioned in an article about his group that was published in the cited source. (NHAN DAN 22 Oct 88 p 3)

Vuong Van Bien [VUWOWNG VAWN BIEENJ]

*Member of the CPV Standing Committee, *Vice Chairman of the People's Committee, *Chairman of the Vietnam-Laos Friendship Association, Ha Son Binh Province; recently he attended a meeting in Ha Dong commemorating the 13th anniversary of the LPDR. (NHAN DAN 3 Dec 88 p 1)

Pham Binh [PHAMJ BINHF]

*SRV Ambassador to France; *Deputy Foreign Minister, Director of the Vietnam Institute of International Relations; he replaced Ambassador Ha Van Lau who concluded his tour and left Paris on 25 Sep 88. (Paris DOAN KET in Vietnamese Sep, Oct 88 p 38)

Vu Hac Bong [VUX HAWCS BOONGF]

Director of the Foreign Relations Office, Ho Chi Minh City; on 3 Jan 89 he welcomed a GDR delegation visiting the city. (Ho Chi Minh City SAIGON GIAI PHONG 5 Jan 89 p 1)

Nguyen Can [NGUYEENX CAN]

*Director of Asia 3 Department, Ministry of Foreign Affairs; on 29 Nov 88 he was present at the meeting between Foreign Minister Nguyen Co Thach and Philippines Secretary of Foreign Affairs Raul Manglapus in Hanoi. (NHAN DAN 30 Nov 88 pp 1, 4)

Nguyen Ky Cam [NGUYEENX KYF CAAMR]

Minister of Labor, War Invalids and Social Welfare; his name and position were mentioned in article published in the cited source about a National Assembly meeting on 17 Dec 88. (Ho Chi Minh City SAIGON GIAI PHONG 18 Dec 88 pp 1, 3)

Le Quang Chanh [LEE QUANG CHANHS]

Vice Chairman of the People's Committee, Ho Chi Minh City; on 2 Dec 88 he was present to welcome the new CSSR Consul General in Ho Chi Minh City. (Ho Chi Minh City SAIGON GIAI PHONG 3 Dec 88 p 1)

Ngong Quoc Chan [NOONG QUOOCS CHAANS]

Vice Minister of Culture; on 6 Aug 88 he attended a seminar in Ho Chi Minh City on cultural activities and the Chinese community in Vietnam. (Ho Chi Minh City SAIGON GIAI PHONG 9 Aug 88 p 1)

Nguyen Minh Chau [NGUYEENX MINH CHAAU], *Colonel

*Commander of the 339th Division; on 19 Dec 88 he was present at the farewell ceremony for his troops in Phnom Penh. (NHAN DAN 20 Dec 88 p 1)

Phung Kim Chinh [PHUNGF KIM CHINHS], Colonel

*Commander of the 309th Division; on 15 Dec 88 he was present at the farewell ceremony for his troops in Battambang. (NHAN DAN 18 Dec 88 p 1)

Nguyen Nhieu Coc [NGUYEENX NHIEEU COOCS]

Alternate member of the CPV Central Committee; Chairman of the People's Committee, Ha Son Binh Province; recently he attended a meeting in Ha Dong to commemorate the 13th anniversary of the LPDR. (NHAN DAN 3 Dec 88 p 1)

Pham The Duyet [PHAMJ THEES ZUYEETJ]

Secretary of the CPV Central Committee; *Secretary of the CPV Committee, Hanoi Municipality; he was recently appointed to the latter position by the decision of the CPV Politburo. (HANOI MOI 1 Nov 88 pp 1, 4)

Ha Quang Du [HAF QUANG ZUJ]

*Chairman of the National Assembly Committee for Youth, Teenagers and Children; on 15 Dec 88 he spoke at the National Assembly plenary meeting. (NHAN DAN 16 Dec 88 p 1)

Nguyen Van Dan [NGUYEENX VAWN DANF]

*Vice Minister of Public Health; on 5 Jan 89 he attended a seminar in Nam Dinh on Ho Chi Minh City's cooperation with Northern Provinces in pharmaceutical production. (Ho Chi Minh City SAIGON GIAI PHONG 17 Jan 89 p 1)

Le Quang Dao [LEE QUANG DAO]

Member of the CPV Central Committee; Vice Chairman of the Council of State; Chairman of the National Assembly; on 8 Aug 88 he attended a conference in Vung Tau—Con Dao Special Zone to discuss the work of universities and colleges in Vietnam. (Ho Chi Minh City SAIGON GIAI PHONG 9 Aug 88 p 1)

Ha Dang [HAF DAWNG]

Editor in Chief of the newspaper NHAN DAN; on 8-9 Oct 88 he attended a symposium on renovation in economic management in Ha Nam Ninh Province. (NHAN DAN 24 Oct 88 pp 1, 2)

Nguyen Van Gian [NGUYEENX VAWN GIANR]

*Chairman of the People's Council, Nghe Tinh Province; recently he welcomed Council of Ministers' Vice Chairman Dong Sy Nguyen visiting Nghe Tinh. (NHAN DAN 10 Dec 88 p 1)

Nguyen Trung Hau [NGUYEENX TRUNG HAAUJ]

Chairman of the People's Committee, Thuan Hai Province; his name and position were mentioned in an article about the law and the party decision on renovation. (Ho Chi Minh City SAIGON GIAI PHONG 14 Dec 88 p 2)

Tran Hieu [TRAANF HIEEUS]

Vice Minister of Labor, War Invalids and Social Welfare; he wrote an article on the need for better policies for war veterans. (QUAN DOI NHAN DAN 16 Dec 88 p 2)

Tran Dinh Hoan [TRAANF DINHF HOAN]

*Vice Minister of Labor, War Invalids and Social Welfare; he spoke at the National Assembly meeting on 17 Dec 88 about his ministry. (Ho Chi Minh City SAIGON GIAI PHONG 18 Dec 88 pp 1, 3)

Nam Ho [NAM HOOF], *Major General

*Deputy Commander of Military Region 1; his interview with HANOI MOI was reported in the cited source. (HANOI MOI 22 Dec 88 pp 1, 2)

Pham Van Hung [PHAMJ VAWN HUNGF]

Member of the CPV Standing Committee; *Chairman of the CPV Party Organization, Ho Chi Minh City; on 8 Oct 88 he met with reporters from GIAO VIEN NHAN DAN. (GIAO VIEN NHAN DAN 5 Dec 88 pp 1, 4)

Tran Quoc Huong [TRAANF QUOOCS HUWOWNG]

Member of the CPV Secretariat; Head of the Internal Affairs Department of the CPV Central Committee; recently he met with a GDR delegation visiting Vietnam. (NHAN DAN 1 Dec 88 p 1)

To Ky [TOO KYS], Major General

On 14 Jan 89 he attended a meeting held by the editorial staff of the military history journal LICH SU QUAN SU. (Ho Chi Minh City SAIGON GIAI PHONG 14 Jan 89 p 3)

Trinh Van Lau [TRINHJ VAWN LAUJ]

Member of the CPV Central Committee; *Secretary of the CPV Committee, Tay Ninh Province; on 20 Dec 88 he attended a meeting in Tay Ninh to welcome SRV troops returning from Cambodia. (Ho Chi Minh City SAIGON GIAI PHONG 21 Dec 88 p 1)

Nguyen Van Linh, Mrs. [NGUYEENX VAWN LINH], aka Ngo Thi Hue [NGOO THIJ HUEEJ]

On 23 Jan 89 she met with representatives of different Indian women groups in New Delhi. (Ho Chi Minh City SAIGON GIAI PHONG 26 Jan 89 pp 1, 2)

Nguyen Van Nam [NGUYEENX VAWN NAM]

*Vice Chairman of the People's Committee, Ho Chi Minh City; on 23 Nov 88 he attended a meeting on renovating the city's electric power network. (Ho Chi Minh City SAIGON GIAI PHONG 24 Nov 88 p 1)

Nguyen Dinh Phuong [NGUYEENX DINHF PHUONG]

*SRV Ambassador Extraordinary and Plenipotentiary in Sweden; on 8 Dec 88 he presented his credentials to the King of Sweden. (NHAN DAN 13 Dec 88 p 4)

Huu Tho [HUWUX THOJ]

*Deputy Editor of the daily NHAN DAN; on 9 Dec 88 he attended a press conference on a ping pong tournament organized by NHAN DAN newspaper. (NHAN DAN 10 Dec 88 p 4)

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